DOCUMENT RESUME

ED 417 057 RC 021 414

TITLE	Indian Employment, Training, and Related Services Demonstration Act. Hearing on Public Law 102-477, Indian Employment, Training and Related Services Demonstration Act of 1992 before the Committee on Indian Affairs. United States Senate, One Hundred Fifth Congress, First Session.
INSTITUTION	Congress of the U.S., Washington, DC. Senate Committee on Indian Affairs.
REPORT NO	Senate-Hrg-105-191
ISBN	ISBN-0-16-055690-2
PUB DATE	1997-05-13
NOTE	161p.
AVAILABLE FROM	U.S. Government Printing Office, Superintendent of Documents, Congressional Sales Office, Washington, DC 20402.
PUB TYPE	Legal/Legislative/Regulatory Materials (090)
EDRS PRICE	MF01/PC07 Plus Postage.
DESCRIPTORS	Administrative Problems; Adult Education; *American Indian Education; *Employment Services; Federal Aid; Federal Legislation; Hearings; *Job Training; Program Administration; Secondary Education; Technical Assistance; Tribal Government; Tribally Controlled Education; *Tribes; *Vocational Education; Youth Programs
IDENTIFIERS	Bureau of Indian Affairs; Congress 105th; *Indian Employment Training Rel Svc Demon Act 1992; Program Consolidation; Welfare Reform

ABSTRACT

The Senate Committee on Indian Affairs held a hearing to assess the success of Public Law 102-477, the Indian Employment, Training, and Related Services Demonstration Act of 1992. Specifically, the hearing looked at how well the Act is working in terms of enhancing program efficiency, reducing unemployment in Native communities, and improving availability of employment and other services to Native people. The intent of Congress in enacting the Act was to allow tribal authorities to consolidate federal formula-funded programs into a single program, and to achieve efficiencies in that consolidation. The Act allows consolidation of 11 programs of the Department of Labor, Department of Health and Human Services, and Bureau of Indian Affairs (BIA), and will be extended to include welfare reform in July 1997. At the time of the hearing, participants included 18 grantees representing 177 federally recognized tribes. Representatives of the BIA testified about the Act's success in reducing administrative burdens on the tribes, the BIA's reluctance to support inclusion of Johnson O'Malley funds in the program, and cash flow problems. Representatives of tribes and intertribal organizations described their programs and discussed program successes in terms of increased tribal involvement, job placements, and intertribal cooperation and decreased costs and paperwork; implications for tribal implementation of welfare reform; and repeated bureaucratic delays in dealing with the BIA. (SV)

RC

ED 417 057

S. Hrg. 105-191

INDIAN EMPLOYMENT, TRAINING, AND RELATED SERVICES DEMONSTRATION ACT

HEARING

BEFORE THE

COMMITTEE ON INDIAN AFFAIRS
UNITED STATES SENATE

ONE HUNDRED FIFTH CONGRESS

FIRST SESSION

ON

PUBLIC LAW 102-477

INDIAN EMPLOYMENT, TRAINING AND RELATED SERVICES
DEMONSTRATION ACT OF 1992

MAY 13, 1997
WASHINGTON, DC

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RC 021414

U.S. GOVERNMENT PRINTING OFFICE
40-742 CC WASHINGTON : 1997

For sale by the U.S. Government Printing Office
Superintendent of Documents, Congressional Sales Office, Washington, DC 20402
ISBN 0-16-055690-2

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INDIAN EMPLOYMENT, TRAINING, AND RELATED SERVICES DEMONSTRATION ACT

TUESDAY, MAY 13, 1997

U.S. SENATE,
COMMITTEE ON INDIAN AFFAIRS,
Washington, DC.

The committee met, pursuant to notice, at 10:33 a.m. in room 485, Senate Russell Building, Hon. Ben Nighthorse Campbell (chairman of the committee) presiding.

Present: Senators Campbell, Murkowski, Thomas, and Inouye.

STATEMENT OF HON. BEN NIGHTHORSE CAMPBELL, U.S. SENATOR FROM COLORADO, CHAIRMAN COMMITTEE ON INDIAN AFFAIRS

The CHAIRMAN. The hearing will be in session.

This morning we will receive testimony regarding the implementation of the 1992 Indian Employment, Training, and Related Services Demonstration Act.

The committee is interested in knowing how well Public Law 102–477 has worked since its enactment in 1992, and how successful it has been in terms of enhancing program efficiency, reducing unemployment in native communities, and improving availability of employment and other services to native people.

The intent of Congress in enacting Public Law 102–477 was to allow tribal authorities to consolidate Federal formula-funded programs into a single program, and to achieve efficiencies in that consolidation. By respecting tribal governments to make the best decisions about what their citizens need, Public Law 102–477 is built on a fundamental respect for tribal sovereignty. Public Law 102–477 also recognizes that local authorities are in the best position to create programs around local needs, not the "one size fits all" approach that has plagued Indian policy for decades.

In the current era of shrinking resources, the committee wants to hear from tribal governments on whether the flexible approach contained in Public Law 102–477 is a model for other and similar programs. Last year, Congress enacted welfare reform legislation that will have a significant and long-lasting effect in the United States, and particularly in Indian country. Like the States, Indian tribes are in the midst of implementing the new law and making the transition from welfare to work. Unlike all other sectors of our society, Indian country suffers from an inordinately high unemployment rate of 52 percent. By any standard, poverty and joblessness will be hard to overcome in Indian country. This committee and this Congress have an obligation to see to it that native communities are afforded every chance to overcome those obstacles.

Public Law 102–477 can help native communities bridge the gap as people are moved off the welfare rolls and into jobs. By reducing paperwork and other administrative burdens, Public Law 102–477 lets tribes focus time and money where the needs are the greatest: With their members.

[Text of Public Law 102–477 follows:]

PUBLIC LAW 102-477—OCT. 23, 1992

INDIAN EMPLOYMENT, TRAINING AND RELATED SERVICES DEMONSTRATION ACT OF 1992

69-139 O - 92 (477)

Public Law 102-477
102d Congress

An Act

Oct. 23, 1992
[S. 1530]

To authorize the integration of employment, training, and related services provided by Indian tribal governments.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Indian Employment, Training and Related Services Demonstration Act of 1992.
25 USC 3401 note.

SECTION 1. SHORT TITLE.

This Act may be cited as the "Indian Employment, Training and Related Services Demonstration Act of 1992".

25 USC 3401.

SEC. 2. STATEMENT OF PURPOSE.

The purposes of this Act are to demonstrate how Indian tribal governments can integrate the employment, training and related services they provide in order to improve the effectiveness of those services, reduce joblessness in Indian communities and serve tribally-determined goals consistent with the policy of self-determination.

25 USC 3402.

SEC. 3. DEFINITIONS.

For the purposes of this Act, the following definitions apply:

(1) INDIAN TRIBE.—The terms "Indian tribe" and "tribe" shall have the meaning given the term "Indian tribe" in section 4(e) of the Indian Self-Determination and Education Assistance Act.

(2) INDIAN.—The term "Indian" shall have the meaning given such term in section 4(d) of the Indian Self-Determination and Education Assistance Act.

(3) SECRETARY.—Except where otherwise provided, the term "Secretary" means the Secretary of the Interior.

25 USC 3403.

SEC. 4. INTEGRATION OF SERVICES AUTHORIZED.

The Secretary of the Interior, in cooperation with the appropriate Secretary of Labor, Secretary of Health and Human Services, or Secretary of Education, shall, upon the receipt of a plan acceptable to the Secretary of the Interior submitted by an Indian tribal government, authorize the tribal government to coordinate, in accordance with such plan, its federally funded employment, training, and related services programs in a manner that integrates the program services involved into a single, coordinated, comprehensive program and reduces administrative costs by consolidating administrative functions.

25 USC 3404.

SEC. 5. PROGRAMS AFFECTED.

The programs that may be integrated in a demonstration project under any such plan referred to in section 4 shall include any program under which an Indian tribe is eligible for receipt of funds under a statutory or administrative formula for the purposes of job training, tribal work experience, employment opportunities, or skill development, or any program designed for the enhancement of job opportunities or employment training.

SEC. 6. PLAN REQUIREMENTS.

25 USC 3405.

For a plan to be acceptable pursuant to section 4, it shall—

(1) identify the programs to be integrated;

(2) be consistent with the purposes of this Act authorizing the services to be integrated in a demonstration project;

(3) describe a comprehensive strategy which identifies the full range of potential employment opportunities on and near the tribal government's service area, and the education, training and related services to be provided to assist Indian workers to access those employment opportunities;

(4) describe the way in which services are to be integrated and delivered and the results expected from the plan;

(5) identify the projected expenditures under the plan in a single budget;

(6) identify the agency or agencies of the tribal government to be involved in the delivery of the services integrated under the plan;

(7) identify any statutory provisions, regulations, policies, or procedures that the tribal government believes need to be waived in order to implement its plan; and

(8) be approved by the governing body of the affected tribe.

SEC. 7. PLAN REVIEW.

25 USC 3406.

Upon receipt of the plan from a tribal government, the Secretary of the Interior shall consult with the Secretary of each Federal department providing funds to be used to implement the plan, and with the tribal government submitting the plan. The parties so consulting shall identify any waivers of statutory requirements or of Federal departmental regulations, policies, or procedures necessary to enable the tribal government to implement its plan. Notwithstanding any other provision of law, the Secretary of the affected department shall have the authority to waive any regulation, policy, or procedure promulgated by that department that has been so identified by such tribal government or department, unless the Secretary of the affected department determines that such a waiver is inconsistent with the purposes of this Act or those provisions of the statute from which the program involved derives its authority which are specifically applicable to Indian programs.

SEC. 8. PLAN APPROVAL.

25 USC 3407.

Within 90 days after the receipt of a tribal government's plan by the Secretary, the Secretary shall inform the tribal government, in writing, of the Secretary's approval or disapproval of the plan. If the plan is disapproved, the tribal government shall be informed, in writing, of the reasons for the disapproval and shall be given an opportunity to amend its plan or to petition the Secretary to reconsider such disapproval.

SEC. 9. JOB CREATION ACTIVITIES AUTHORIZED.

25 USC 3408.

The plan submitted by a tribal government may involve the expenditure of funds for the creation of employment opportunities and for the development of the economic resources of the tribal government or of individual Indian people if such expenditures are consistent with an overall regional economic activity which has a reasonable likelihood of success and consistent with the purposes specifically applicable to Indian programs in the statute under which the funds are authorized.

25 USC 3409.

SEC. 10. PRIVATE SECTOR TRAINING PLACEMENTS.

A tribal government participating in a demonstration program under this Act is authorized to utilize funds available under such plan to place participants in training positions with private employers and pay such participants a training allowance or wage for a period not to exceed 12 months, if the tribal government obtains a written agreement from the private employer to provide on-the-job training to such participants and, upon satisfactory completion of the training period, to guarantee permanent employment to such participants for a minimum of 12 months.

25 USC 3410.

SEC. 11. FEDERAL RESPONSIBILITIES.

Contracts.

(a) RESPONSIBILITIES OF THE DEPARTMENT OF THE INTERIOR.—Within 180 days following the date of enactment of this Act, the Secretary of the Interior, the Secretary of Labor, the Secretary of Health and Human Services and the Secretary of Education shall enter into an interdepartmental memorandum of agreement providing for the implementation of the demonstration projects authorized under this Act. The lead agency for a demonstration program under this Act shall be the Bureau of Indian Affairs, Department of the Interior. The responsibilities of the lead agency shall include—

(1) the use of a single report format related to the plan for the individual project which shall be used by a tribal government to report on the activities undertaken under the project;

(2) the use of a single report format related to the projected expenditures for the individual project which shall be used by a tribal government to report on all project expenditures;

(3) the development of a single system of Federal oversight for the project, which shall be implemented by the lead agency; and

(4) the provision of technical assistance to a tribal government appropriate to the project, except that a tribal government shall have the authority to accept or reject the plan for providing such technical assistance and the technical assistance provider.

(b) REPORT REQUIREMENTS.—The single report format shall be developed by the Secretary, consistent with the requirements of this Act. Such report format, together with records maintained on the consolidated program at the tribal level shall contain such information as will allow a determination that the tribe has complied with the requirements incorporated in its approved plan and will provide assurances to each Secretary that the tribe has complied with all directly applicable statutory requirements and with those directly applicable regulatory requirements which have not been waived.

25 USC 3411.

SEC. 12. NO REDUCTION IN AMOUNTS.

In no case shall the amount of Federal funds available to a tribal government involved in any demonstration project be reduced as a result of the enactment of this Act.

25 USC 3412.

SEC. 13. INTERAGENCY FUND TRANSFERS AUTHORIZED.

The Secretary of the Interior, Secretary of Labor, Secretary of Health and Human Services, or the Secretary of Education, as appropriate, is authorized to take such action as may be necessary to provide for an interagency transfer of funds otherwise available to a tribal government in order to further the purposes of this Act.

SEC. 14. ADMINISTRATION OF FUNDS AND OVERAGE.

25 USC 3413.

(a) ADMINISTRATION OF FUNDS.—

(1) IN GENERAL.—Program funds shall be administered in such a manner as to allow for a determination that funds from specific programs (or an amount equal to the amount attracted from each program) are spent on allowable activities authorized under such program.

(2) SEPARATE RECORDS NOT REQUIRED.—Nothing in this section shall be construed as requiring the tribe to maintain separate records tracing any services or activities conducted under its approved plan to the individual programs under which funds were authorized, nor shall the tribe be required to allocate expenditures among such individual programs.

(b) OVERAGE.—All administrative costs may be commingled and participating Indian tribes shall be entitled to the full amount of such costs (under each program or department's regulations), and no overage shall be counted for Federal audit purposes, provided that the overage is used for the purposes provided for under this Act.

SEC. 15. FISCAL ACCOUNTABILITY.

25 USC 3414.

Nothing in this Act shall be construed so as to interfere with the ability of the Secretary or the lead agency to fulfill the responsibilities for the safeguarding of Federal funds pursuant to the Single Audit Act of 1984.

SEC. 16. REPORT ON STATUTORY OBSTACLES TO PROGRAM INTEGRATION.

25 USC 3415.

(a) PRELIMINARY REPORT.—Not later than two years after the date of the enactment of this Act, the Secretary shall submit a preliminary report to the Select Committee on Indian Affairs of the Senate and the Committee on Interior and Insular Affairs of the House of Representatives on the status of the implementation of the demonstration program authorized under this Act.

(b) FINAL REPORT.—Not later than five years after the date of the enactment of this Act, the Secretary shall submit a report to the Select Committee on Indian Affairs of the Senate and the Committee on Interior and Insular Affairs and the Committee on Education and Labor of the House of Representatives on the results of the implementation of the demonstration program authorized under this Act. Such report shall identify statutory barriers to the ability of tribal governments to integrate more effectively their employment, training, and related services in a manner consistent with the purposes of this Act.

SEC. 17. LABOR MARKET INFORMATION ON THE INDIAN WORK FORCE.

25 USC 3416.

(a) REPORT.—The Secretary, in consultation with the Secretary of Labor, shall, in a consistent and reliable manner, develop, maintain and publish, not less than biennially, a report on the population, by gender, eligible for the services which the Secretary provides to Indian people. The report shall include, but is not limited to, information at the national level by State, Bureau of Indian Affairs Service area, and tribal level for the—

(1) total service population;

(2) the service population under age 16 and over 64;

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(3) the population available for work, including those not considered to be actively seeking work;

(4) the employed population, including those employed with annual earnings below the poverty line; and

(5) the numbers employed in private sector positions and in public sector positions.

Reports. (b) INDIAN DEMOGRAPHIC INFORMATION.—The Secretary, in consultation with the Bureau of the Census of the Department of Commerce, and the National Center for Native American Studies and Policy Development authorized by Public Law 101–301, shall prepare a report on the need for comprehensive, accurate and periodically updated information on the size and characteristics of the Indian and Alaska Native population throughout the entire United States. This report shall include the need for information, together with the cost of acquiring such information, on the characteristics and need for education, health, housing, job training, and other basic needs of such population, and shall take into consideration the need for this information by Indian tribes and organizations serving Indians in nonreservation areas. The report shall be submitted to the Select Committee on Indian Affairs of the Senate and the Committee on Interior and Insular Affairs and the Committee on Education and Labor of the House of Representatives not later than 12 months after the date of enactment of this Act.

25 USC 3417.

SEC. 18. ASSIGNMENT OF FEDERAL PERSONNEL TO STATE INDIAN ECONOMIC DEVELOPMENT PROGRAMS.

Any State with an economic development program targeted to Indian tribes shall be eligible to receive, at no cost to the State, such Federal personnel assignments as the Secretary, in accordance with the applicable provisions of the Intergovernmental Personnel Act of 1970, may deem appropriate to help ensure the success of such program.

Approved October 23, 1992.

LEGISLATIVE HISTORY—S. 1530:

HOUSE REPORTS: No. 102-905 (Comm. on Interior and Insular Affairs).
SENATE REPORTS: No. 102-188 (Select Comm. on Indian Affairs).
CONGRESSIONAL RECORD:
Vol. 137 (1991): Oct. 30, considered and passed Senate.
Vol. 138 (1992): Sept. 29, considered and passed House, amended.
Oct. 7, Senate concurred in House amendment.

○

The CHAIRMAN. I might tell the folks that are going to be testifying that we do not have a timing light, but if you would like to submit your total written testimony for the record, all of it will be included in the record, and we would ask that you abbreviate your comments to about 5 minutes, if you would.

With that, I welcome the witnesses here today, and we start with our first panel. That will be the Ada Deer, Assistant Secretary for Indian Affairs, accompanied by her staff.

Please come forward to the table, Ada, and proceed.

STATEMENT OF ADA E. DEER, ASSISTANT SECRETARY FOR INDIAN AFFAIRS, DEPARTMENT OF THE INTERIOR, WASHINGTON, DC, ACCOMPANIED BY NANCY JEMISON, DIRECTOR, OFFICE OF ECONOMIC DEVELOPMENT; DEBORAH MADDOX, DIRECTOR, OFFICE OF TRIBAL SERVICES, BUREAU OF INDIAN AFFAIRS; AND WILLIAM MEHOJAH, DEPUTY DIRECTOR, OFFICE OF INDIAN EDUCATION PROGRAMS

Ms. DEER. Good morning, Senator Campbell, Mr. Chairman. I am very pleased to be here. I have with me Deborah Maddox, Director of Tribal Services; Nancy Jemison, Director of Economic Development; and Bill Mehojah, Deputy Director Office of Indian Education Programs.

I am pleased to be here today to discuss the status of the implementation of Public Law 102–477, the Indian Employment Training and Related Services Demonstration Act of 1992.

On September 15, 1993, I testified before this committee on the implementation of this act. At that time I stated that we strongly believed in the goals of Public Law 102–477 and fully supported the demonstration project. Since then the Departments of Interior, Labor, Health and Human Services, and the participating tribes have all made significant progress and accomplishment toward improving employment and training programs in Indian communities.

A General Accounting Office investigation in 1995 concluded that a major overhaul of employment and training programs was needed to create a more efficient customer-driven system. They counted more than 163 such Federal programs, scattered across 15 different Federal agencies. The study found extensive overlap among these programs which confused and frustrated clients, employers, and administrators of employment and training programs. Public Law 102–477 addresses many concerns addressed in the GAO investigation for employment and training programs targeted for Indians and Alaska Natives.

Tribal participation in Public Law 102–477 is entirely voluntary. Currently, there are 18 grantees participating who represent 177 federally-recognized tribes. Two other tribes, the Siletz Tribe of Oregon and the Shoshone and Arapahoe Tribe of the Wind River Reservation, have submitted plans to begin Public Law 102–477 programs on July 1 of this year.

The following Federal programs have been consolidated under Public Law 102–477:

Department of Labor—Job Training Partnership Act, Section 401, Title IV–A, and Title II–B, Indian Summer Youth Program;

Department of Health and Human Services—Job Opportunities and Basic Skills Training program of Public Law 104–193, and Child Care Development Fund; and

Bureau of Indian Affairs—Adult Vocational Training Program; Direct Employment; Adult Education; Higher Education; Johnson O'Malley; General Assistance, and Tribal Work Experience Programs.

The Department of Health and Human Services recently announced that tribes may also include the Welfare Reform Temporary Assistance for Needy Families [TANF] program in their Public Law 102–477 program, beginning in July of this year.

Public Law 102–477 has been very successful. Tribes, consistently and without exception, report that they are benefiting from the program. Providing comparative statistics is difficult since the numbers now include child care services, Johnson O'Malley and summer youth programs, along with the traditional employment and training programs. We do know, however, that participating tribes report an 88 percent success rate, as defined by each tribe, that tribes are training and finding jobs for more AFDC clients—among the most challenging clients to serve—and that tribes spend more time directly on education, training and job placement, with less time doing repetitive administrative paperwork. Since 1994, when the first tribes began implementing programs under this act, tribes have been able to develop comprehensive welfare reform initiatives with these resources. For example, the Tlingit and Haida Indian Tribe of Alaska stated, "We don't give free money away anymore." All clients that come in for cash assistance are required to develop an employability plan and meet periodic and specific goals to receive cash assistance.

Tribes participating in Public Law 102–477 report major reductions in administrative burdens and major increases in job placements. The following are a few of these accomplishments:

No. 1, Federal reporting requirements have been reduced by 95 percent. Instead of 166 pages a year on a quarterly, semiannual or annual basis for each of the separate programs that may be combined in a consolidated Public Law 102–477, tribes now submit seven pages of forms, only once a year.

No. 2, tribes now maintain a single financial account instead of ten different program budgets, and one set of client files instead of many.

No. 3, reduced administrative burdens on tribes result in increased attention to clients. The Cook Inlet Tribal Council, for example, more than doubled their job placement rate during their first 2 years with Public Law 102–477.

No. 4, the initiative is led by tribes. The tribes have formed a tribal work group, funded by the BIA. Tribes participate in all phases of program development and improvements and actually provide all of the training and technical assistance for other tribes interested in the process.

No. 5, this initiative has expanded the concept of self-governance to other Federal agencies. Tribes participating in self-governance now add funds from the Departments of Labor and Health and Human Services to their compacts.

Interagency coordination is required under Public Law 102–477. The act required an interdepartmental memorandum of understanding that would ensure a joint commitment to the program. The Federal representatives of the three participating departments, mentioned earlier, and a tribal representative meet quarterly to discuss new issues and work to improve the program. The Tribal Work Group's report to the Congress in June, 1995 characterized this coordination as "a level of agency-to-agency interaction without precedent in the more than 20 years that the Federal Government has supported tribal employment and training services."

Public Law 102–477 also requires that the Bureau of Indian Affairs conduct two additional tasks:

No. 1, section 17(b) of the act requires that the BIA prepare a report on the need for comprehensive, accurate and periodically updated information on the size and characteristics of the Indian and Alaska Native population through the entire United States. We do not have the expertise in-house to develop such a report; therefore, the BIA is currently in the process of contracting for the work. We have completed all the work necessary to advertise for this work and expect an announcement will be published in the Commerce Business Daily this week.

No. 2, section 17(a) of the act provides that the department publish a labor market report biennially. The most recent report was published this month, and a copy of that report will soon be available.

While we have made major progress in the implementation of Public Law 102–477, success has not always been easy. It has required reinventing the way we do business, changing mindsets and revising policy. For example, the BIA attempts, whenever possible, to delegate authorities and responsibilities to BIA area and agency organizational levels. As this is the beginning of a new effort, not all BIA area offices have tribes participating in the program. Therefore, when a new tribe submitted a Public Law 102–477 plan to a BIA area office that had no prior experience with the program, delays were encountered in fund transfers while area office staff familiarized themselves with this innovative program. While area know-how was being developed, the BIA centralized contracting/grant authority and disbursement of funding to facilitate funding transfers.

Despite severe budget cuts in Central Office funding in fiscal year 1996, the BIA has remained committed to implementing Public Law 102–477. The Department of the Interior is strongly committed to this innovative program and will continue to support the implementation of Public Law 102–477.

This concludes my prepared statement, and I would be happy to answer any questions the committee may have.

[Prepared statement of Ms. Deer appears in appendix.]

The CHAIRMAN. A little over 5 minutes. [Laughter.]

You mentioned some delays at the BIA agency level. What is the average amount of time required for the BIA to approve or disapprove a plan once it has been submitted by the tribe?

Ms. JEMISON. The plan, once it is submitted, must go through the various Federal agencies, Health and Human Services and the Department of Labor. We try to schedule teleconference calls with the tribe and with the Departments of Health and Human Services and Department of Labor within 2 weeks of receiving the plan.

We can typically approve a plan within 1 month's time. The difficulty that the Bureau has had, admittedly, is getting the transfer of funding completed on a timely basis, because funding has to be transferred from the various Federal agencies after approval has been obtained, and then the funds have to be pulled back from the area offices; for example, TPA funds that are transferred to the areas have to be pulled back to the Central Office, then put into the grant, and then the grant is issued.

So the approval process is fairly timely. It's the grant and funding process that takes a little bit more time.

The CHAIRMAN. What is the current staffing and resource levels that the Bureau devotes to coordinating this program?

Ms. JEMISON. We currently have two full-time people working on the program. They are also responsible for some collateral responsibilities related to census-related issues.

The CHAIRMAN. No one at the agency level works on it full-time?

Ms. JEMISON. I'm sorry?

The CHAIRMAN. No one at the agency level works on it full-time?

Ms. JEMISON. No.

The CHAIRMAN. Some Public Law 102–477 grantees report cash flow problems in getting the program funds. Can you describe the accounting system used by the Bureau in disbursing the funds?

Ms. JEMISON. Yes; we use the 638 process for fund distribution. As I said earlier, because the TPA funds go out to the area office, and because we have centralized the grant authority—we have to pull the money back in—we use the same authority that they use at the area/agency level. It's only conducted at the Central Office.

The CHAIRMAN. Ada, your testimony states that "General Assistance and Johnson O'Malley funds are permitted into Public Law 102–477 plans." Tribal grantees are reporting resistance by the Bureau to the integration of these programs.

Is there a statutory or other reason why the tribes are meeting that resistance?

Ms. DEER. Both JOM and General Assistance are administered by the statutes—I will call on Deborah Maddox to talk about general assistance [GA] and then Bill Mehojah to talk about Johnson O'Malley.

Ms. MADDOX. Yes; we did encounter some difficulty earlier in this fiscal year, and I met with the tribal group in January. Upon hearing some of their issues and concerns, and the reasons for including GA, we agreed to do that. We do have a statute, 25 USC 13(d), that specifically addresses that the grant funds are to be used for essential needs, defined as food, shelter, and clothing. We did reach some agreement that we would go ahead and include the grant funds if there was some assurance from the grantees that they would adhere to the reporting requirements that we have.

We have reached agreement on that, and that will continue to be our policy.

The CHAIRMAN. Okay. Thank you.

Under the act, the department is required to file a number of reports—a preliminary status report, a final status report, labor market reports, Indian demographic reports, and so on. Has the department filed these reports, as required by law?

Ms. DEER. One report is in the final surname process, so that should be available fairly soon.

The CHAIRMAN. One report—one preliminary report has been filed? Is that what you're saying?

Ms. DEER. Okay, I am corrected, according to my staff. You forgot to listen for the answer on the JOM.

The CHAIRMAN. I'm sorry, say that again?

Ms. DEER. You requested information about the inclusion of the JOM program——

The CHAIRMAN. Well, of all the reports that you are required to file by law, I just want to know if they have been filed.

Ms. DEER. They are in process, but they haven't been filed yet.

The CHAIRMAN. Okay.

Ms. Deer, Senator Murkowski is conducting another hearing right now, but he asked if I would ask a question of you.

The BIA has—this is his question—fought to exclude programs like General Assistance and Johnson O'Malley from inclusion in Public Law 102–477—let me rephrase that.

Has the BIA fought to exclude programs like General Assistance and Johnson O'Malley from inclusion in Public Law 102–477?

Ms. DEER. No; I believe that Deborah Maddox has just answered the question on general assistance grants. I would point out that this is a demonstration project, this entire effort that we are involved in now is a demonstration project, and that the purpose of the JOM is to provide supplemental education assistance to students K through 12, and having this included, I think, is very problematic at this point, because the basic requirement of JOM is for youngsters. It's education. It was not established to provide employment for adults.

I will call on Mr. Mehojah here to give a little more information.

Mr. MEHOJAH. Yes; thank you.

Ms. Deer is, of course, correct in that statement. The supplemental education programs authorized by the Johnson O'Malley Act have two significant things involved with them. One is that it is a supplemental education program for Indian students attending public schools, and it is to supplement the basic education program of those children. The program is for age 3 up through grade 12.

But probably the more significant issue is the statutory requirement that each plan, or each project, have an Indian Education Committee that is authorized by statute to approve all education plans, whether it be a tribe that is involved, or a public school. So it is a statutory issue, as well.

The CHAIRMAN. Okay. For Senator Murkowski's information, then, the Bureau does not support the inclusion of Johnson O'Malley into the act, into Public Law 102–477.

Well, the second part—he says, "If so, does the Bureau, for any other reason besides bureaucratic self-interest, oppose it?" I don't suppose you want to answer that, do you?

Ms. DEER. We appreciate your editorial decision there. [Laughter.]

The CHAIRMAN. What does the Bureau do with the reports when the tribes file them?

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Ms. **JEMISON**. We compile the results. We are in the process, as you know, of doing strategic planning under the GPRA, which requires that we start reporting these types of data. The data, for example, that we extract from these reports indicate the amount of successful terminations that have occurred in the program. Our success rate is very high, if you compare it to other Federal programs. We hope that will influence legislators to implement similar programs Federal agency-wide.

The **CHAIRMAN**. That information, can it be used as a model for other tribes?

Ms. **JEMISON**. Absolutely.

The **CHAIRMAN**. Any suggestions about changes that we should make to strengthen the Public Law 102–477 program? It seems to be very successful.

Ms. **JEMISON**. One of the problems is that the job placement and training programs work on improving job placement and training exclusively. They stop short of creating jobs in tribal communities, and as you know, many tribal communities are economically distressed and we need to create jobs. If we can somehow tie this legislation to other Federal programs that create jobs, and we start linking the job placement and training to job creation, we can help to actually reduce joblessness in tribal communities.

The **CHAIRMAN**. I thank you. That has always been a concern of mine, too; we implement job training sometimes in places where there are no jobs after they get the training, so I understand it very well. If there are no jobs that take up the slack, the training doesn't really do any good if people want to stay on the reservation. They either have to leave to use the skills that they've learned; they have to leave home, and many of them don't want to do that. So I understand that very well.

Okay, I do thank you and I appreciate your appearance here today.

Ms. **DEER**. Thank you.

The **CHAIRMAN**. The second panel will consist of Russell "Bud" Mason, Chairman, Three Affiliated Tribes, North Dakota; James Billie, Chairman, Seminole Tribe, Florida; Gerald Heminger, Council Member, Sisseton-Wahpeton Sioux Tribe, South Dakota; Leroy Bingham, CEO, Cook Inlet Tribal Council, Alaska; and Sharon Olsen, Director, Tlingit and Haida Tribes, Alaska Employment and Training Programs.

We will start with Bud Mason, Chairman of the Three Affiliated Tribes.

As with the other panel, if you could keep your testimony down to about 5 minutes or so, all of your written testimony will be included in the record.

STATEMENT OF RUSSELL "BUD" MASON, SR., CHAIRMAN, THREE AFFILIATED TRIBES BUSINESS COUNCIL, NEW TOWN, ND

Mr. **MASON**. Thank you, Chairman Campbell and distinguished members of the committee.

Before I go into my prepared statement here, I was a little bit concerned about the testimony that was given by the Assistant Secretary, because the programs that are combined under Public Law 102–477 do include Johnson O'Malley. The testimony given I minute ago was that they didn't, but as far as those of us who are the recipients of these programs, or manage these programs, Johnson O'Malley is part of that.

I am "Bud" Mason, Chairman of the Three Affiliated Tribes of the Mandan, Hidatsa, and Arikara people of the Fort Berthold Reservation of North Dakota. On behalf of the Three Affiliated Tribes, I appreciate the time given for testimony regarding implementation of Public Law 102–477.

I might add, if there are any technical questions, I would like to defer them to two of the panel members here; that would be Leroy Bingham of Cook Inlet, and also Norm DeWeaver, who is with the Employment Training Coalition, for answering the technical questions.

The Three Affiliated Tribes has an enrollment of about 10,500 people. Since 1995 there has been an increasing number of tribal members and their families returning to the reservation. In 1990, our resident enrolled membership population was about 3,000, and since then the number has doubled to about 6,000. This trend has had a tremendous impact, of course, on the already-depressed economic environment.

The employment rate, according to the Department of the Interior's labor force statistics on the Fort Berthold Reservation, is 47 percent. The principal employers are the Three Affiliated Tribes, Indian Health Services [IHS], the Bureau of Indian Affairs [BIA], and public school districts. With the exception of small satellite offices and public schools, all are headquartered in New Town, ND, the hub of the Fort Berthold Reservation.

I might add here if I may, Senator, that although we do have a casino, and the operation is small, the thinking of all of our tribal business council is that we don't look at that as the means for everything. All of our planning is centered around long-range planning of other economic development endeavors.

Our reservation stretches across 1,500 square miles in six counties, and is divided by a lake created by the construction of the Garrison Dam. If you're not familiar with that, I was at a meeting—I am the Chairman of the United Tribes of North Dakota, and FEMA was there, and they've done a good job up there because of the bad winter that we had and the floods, but they asked me the wrong question and asked if we had any flooding problems on Fort Berthold Reservation. I said, "Yes, we did 40 years ago; it took 80,000 acres and the flood is still there," and we are still suffering from that.

The CHAIRMAN. I understand.

Mr. MASON. Also let me remind the committee that prior to the flood, the Three Affiliated Tribes was self-sufficient. For the record, we had less than one-half dozen people on General Assistance prior to the flood and prior to us being relocated or dislocated.

In the East Segment of the White Shield Community, which is 60 miles from tribal headquarters, we entered into an agreement with the Turtle Mountain Band of Chippewa Tribe for a data entry operation that employs about 50 people and will be going into a second shift here soon, in about 6 months, which will employ 100 people. And that's in a rural part of the reservation. That number will be doubling, as I said, within 6 months.

In the West Segment of Mandaree Community, the tribe has an electronics firm that has created employment and training at the community level. The Indian Employment Training and Related Services Demonstration Act of 1992 has been the tribes' catalyst in the creation of jobs and job training in these two outlying communities.

As one of the original Public Law 102–477 tribes, the Three Affiliated Tribes implemented Public Law 102–477 from the onset of the enactment. The Demonstration Services Act has worked for us and has worked well. With employment and training so drastically needed, we integrated the Department of Labor's JTPA and summer youth programs; the Department of Health and Human Services' job opportunity, basic skills, and child care development; and the BIA's adult vocational and tribal work experience programs.

Because of the integration of the training programs with temporary job placement, we have seen a 40 to 50 percent-increase in the number of persons enrolled in the tribal work experience program who are able to find permanent employment.

Let me just back up here. I forgot to mention that in the agreement that we have with the Turtle Mountain Chippewa Tribe in their Uniband Industry, since its operation within a 2-month period we have taken about 10 people off of the welfare rolls.

We have been able to do several things to improve employment opportunities for our tribal members.

No. 1, the integration of the programs has reduced redtape, allowing us to spend more time and money on training and job placement.

No. 2, we have been better able to tailor training needs and job placement.

No. 3, we have been able to provide more diversified services to those in job training and job opportunities. Unfortunately, we have not seen the cooperation of the BIA and the application of Public Law 102–477 to our contracted adult vocational and TWEP programs. Resistance in releasing funds for the programs was a major concern this past year.

One way the act might be improved to encourage BIA's cooperation is the following:

Insert, as a separate requirement of the plan to be submitted by the tribe, the time need for the plan to become fully operational; and

Insert a separate section called "Plan Implementation" that requires the Secretary of the Interior to cooperate fully with the tribe to allow the plan to become fully operational within the time period specified by the tribe's plan.

With the advent of welfare reform, there is an even greater need to integrate various components of welfare assistance with job training and job creation programs so that people are employed in meaningful and permanent jobs. This includes giving tribes the flexibility to use programs such as general assistance and child care as part of an overall package of temporary assistance, job training, and, finally, permanent job placement.

Suggested improvements to the act include allowing the tribe to combine funds from welfare assistance programs with programs designed for the enhancement of job opportunities and employment training.

The continuation of Public Law 102–477 is vital to the success of welfare reform. As Indian tribal governments, we need all of the tools and all the flexibility we can get to enable further development of our tribal economics and to be able to place well-trained members in good jobs.

Public Law 102–477, with the improvements suggested, is a low-cost way to give tribes additional flexibility to meet the demands and needs of our members, as well as the demands of the Federal Government for welfare reform.

Also—I am going away from my text, too, Mr. Chairman, if I may—in listening to the earlier testimony, it always behooves me how well tribes can do, given the opportunity to do it. I think that this has been demonstrated by Congress' passing this bill and letting the tribes manage their own affairs. Further than that, I think that the suggestion of the delegation of authorities to the area and to superintendents might be better off if that delegation, if possible—most of it would be given to the tribes to manage their affairs.

So with that, I want to thank you, Mr. Chairman and committee members, for the time that you have given me, to hear my testimony. Again, if there are any questions—the technical questions, I would like to defer to Mr. DeWeaver.

Thank you very much.

[Prepared statement of Mr. Mason appears in appendix.]

The CHAIRMAN. I thank you.

Chairman Billie, if you would like to proceed?

STATEMENT OF JAMES BILLIE, CHAIRMAN, SEMINOLE TRIBE OF FLORIDA, HOLLYWOOD, FL, ACCOMPANIED BY MAUREEN VASS, DIRECTOR, SEMINOLE EMPLOYMENT AND TRAINING PROGRAM

Mr. BILLIE. Good morning, Mr. Chairman and members of the committee. My name is James Billie; I am Chairman of the Seminole Tribe of Florida. It is a pleasure to be here this morning to testify about the Seminole Tribe's experiences with the Indian Employment, Training and Related Services Demonstration Act of 1992. Accompanying me today is Maureen Vass, who directs the tribe's employment and training program.

The Seminole Tribe's Employment and Training program has participated in the Public Law 102–477 demonstration program for more than 3 years. We were one of the original eight tribes to do so, and we have served on the tribal work group on Public Law 102–477 since its inception. I want to thank this committee and the Congress for enacting this law that would allow us to combine employment, training, and related services programs into a single package to assist tribal members.

My comments this morning are a summary of my written statement, which I request be submitted in its entirety for the record.

The CHAIRMAN. Without objection, all of your complete testimony will be in the record.

Mr. BILLIE. Now I would like to ask Maureen Vass to talk about our experience with the program on a day-to-day basis.

Maureen.

Ms. VASS. Thank you, Mr. Chairman.

The Seminole Tribe's demonstration program project incorporates three programs—the Job Training Partnership Act, adult vocational training, and direct employment. While we started small, we have the option to add other programs as we go. This flexibility is a big part of what makes this law so effective—the tribe, not the Federal Government, makes the decisions.

The Seminole Tribe of Florida has approximately 2,500 tribal members living on five reservations located throughout central and southern Florida. It is a real challenge to provide training and employment services to tribal members, particularly those located on our largest and most remote reservation of Big Cypress. The demonstration program has helped us to provide the education, training, and job search services necessary to help tribal members find and keep god jobs. It has really cut down on reporting and recordkeeping. We can focus on helping our people rather than Federal paperwork. As a result, the completion rate for our program has jumped from 47 percent to 76 percent in just 3 years.

The remoteness of our Big Cypress Reservation, in particular, located 43 miles from the nearest town in the heart of the Florida Everglades, makes it hard for our young people to get the training they need to find good jobs. The dropout rate for high school students on Big Cypress alone is 66 percent—well above the national average. The 85-mile round trip the students must travel each day in getting to and from the nearest public school is a big part of the problem. So, in 1996, we added a high school curriculum to the Ahfachkee School located on the Big Cypress Reservation. As a result, students now go to school without leaving the reservation. They can get work experience positions to help with everyday living expenses. They have the opportunity and the time to attend work fairs and career days. They can take field trips to vacation schools and colleges in order to make informed decisions about their lives. Before the demonstration program and the Ahfachkee High School, such activities were rare, due to that lack of time.

As you can see, the demonstration program has produced real successes. But there have been hardships, as well. We have had to fight, along with other demonstration program grantees, for waivers and support from the lead Federal agency—the BIA. We have had to fight even harder to receive funding in a timely manner.

The tribal work group, through a lot of hard work and perseverance, has made recommendations to drastically improve the process for tribes to receive funding on time. However, this effort has received little support from the Bureau. In general, it appears to us that there is little or no staff available to assist tribes in taking advantage of the wonderful opportunity the demonstration program provides.

We have some suggestions. We would like to see regular meetings among participating Federal agencies and tribes. We would like to assure that General Assistance and JOM programs are eligible for the program. The program needs more support from the Bureau, including financial support for the technical assistance efforts of the tribal work group. Finally, and most important, a change in the law to permit participating agencies to grant waivers of statutory provisions in the individual programs which tribes can integrate under the demonstration program is needed.

The Seminole Tribe has had great success with this program, despite the concerns raised above. It allows us to set our own priorities for making the best use of our money. While it may not be suited for every tribe, it most certainly is suited for ours. It works exceptionally well for those of us who have chosen to participate.

And now I believe that Chairman Billie would like to say one final word. Thank you.

Mr. BILLIE. Mr. Chairman, we appreciate your listening, and we like this organization that's been helping us. [Words spoken in native tongue.]

The CHAIRMAN. Okay. Thank you.

[Prepared statements of Mr. Billie and Ms. Vass appear in appendix.]

The CHAIRMAN. Before we go on, I think Senator Murkowski wanted to introduce the people from Alaska.

Senator MURKOWSKI. Thank you very much, Mr. Chairman. I commend you for holding a hearing today on the Indian Employment, Training, and Related Services Demonstration Act of 1992. As you know, I was one of the original cosponsors of that legislation. I apologize to my Alaska constituents, but, as Chairman of the Energy Committee, I am chairing a hearing at this time. I'm trying to do two things at once, which we occasionally do around here, but not very well.

I think we all agree that the program is working. That's the good news. However, I want to use this opportunity, Mr. Chairman, primarily to introduce the two fellow Alaskans who will testify about the details and their particular efforts with regard to this program. Sharon Olsen is the Director of Employment and Training for the Tlingit and Haida Indian Tribes of Alaska, from Juneau, and will be speaking on behalf of Edward Thomas, President of Tlingit and Haida. And we also have Leroy Bingham, who is Chief Executive Officer of Cook Inlet Tribal Council.

I know they're going to have only a few minutes to testify, but I think there's a couple of points that I'd like to elaborate on briefly, and that's to highlight, first, that they have successfully carried out the demonstration. Mr. Bingham reports I believe that job placement in Anchorage has tripled since Public Law 102–477 was passed, from about 500 to 1,500, which is pretty significant and proves the success of the program. Second, Public Law 102–477 tribes are today realistically hampered, and hampered by a resistance from within the BIA to the program. I think both the Alaskans will testify that the BIA has tried to keep General Assistance dollars from being included in the project. I hope, Mr. Chairman, that you will be able to get some answers; I recognize Ada Deer was just here. But it appears that they're also trying to keep Johnson O'Malley dollars within the BIA budget and away from the Public Law 102–477 project.

Mr. Chairman, I'm concerned about BIA's constant foot-dragging on this issue, and I hope my colleagues on the committee will ask why the BIA opposes the implementation of this law which creates greater efficiency, fosters self-determination, and clearly, as the evidence points out by the three-fold increase in jobs, works. I believe the witnesses on the panels will provide this information for the record. And last, I hope the committee will explore the suggestions of Ms. Olsen and Mr. Bingham regarding agency actions, and regarding technical corrections that would enable tribes and the Alaska native groups to more easily integrate the programs available under Public Law 102–477.

So, Mr. Chairman, I thank you for the opportunity to drop by this morning. I look forward to the BIA coming up with some definitive answers which, as you and I both know, Mr. Chairman, sometimes have been a little difficult to get. But I hope we can get them this morning. Thank you.

The CHAIRMAN. We'll go on with Mr. Bingham.

I just might mention to the Senator that I did ask the Bureau Assistant Secretary Deer your specific questions about Johnson O'Malley, and it's on the record so you can check that. But as near as I can tell, they think Johnson O'Malley has a different mission and that's why they do not support it. But as I understand, it is clearly within the purview of Public Law 102–477 to include it.

Mr. Bingham, if you would go ahead.

STATEMENT OF LEROY BINGHAM, CHIEF EXECUTIVE OFFICER, COOK INLET TRIBAL COUNCIL, ANCHORAGE, AK

Mr. BINGHAM. Good morning and thank you to Chairman Campbell and the members of the committee. My name is Leroy Bingham. I am an enrolled member of the Blackfeet Indian Tribe of Montana. For the last 2 years I've been the executive director of the Cook Inlet Tribal Council in Anchorage Alaska, having spent the previous 10 years with the same organization as Executive Tribal Planner. I am also wearing another hat today, and that is the hat of the cochairman of the Public Law 102–477 Tribal Work Group.

I've been telling folks that I've been in this business so long that I knew Norm DeWeaver before he had is impressive bolo tie collection, and he knew me when I had more hair on top of my head than under my chin.

Five years ago, a number of us grizzled veterans of the Indian Employment and Training wars came together around a concept that was inspired by the then-recent experiment in tribal self-governance. We all had been spending tremendous amounts of our time, energy, and resources in attempting to manage programs from different Federal agencies that were essentially targeting the same client—our tribal members.

Each of these Federal programs provided one or more essential tools for the development of our people and our communities. Most of these clients needed the benefit of literally all of these tools at different times in their development. But it was as if each of our tools came with instructions written in a different language. Some were metric, most were not. We needed the instructions for all of our tools to be in one language. We needed the permission to keep all of our tools in one box, if we so desired. We needed room to find a more efficient model to provide services to our people. With the help of this committee in 1992 we were able to pass Public Law 102–477.

The tribe and tribal organizations involved in implementing Public Law 102–477 have all learned a tremendous amount and have grown because of our involvement in the demonstration. We are proud to share our successes and the lessons we've learned, and we have some ideas on how you can help us continue to grow this demonstration, not just in Indian country, but throughout the Nation.

What has gone right? First and foremost, what's gone right with Public Law 102–477 has been tribal involvement and leadership. The idea of Public Law 102–477 came directly from the tribes. The fact that the demonstration was strictly voluntary and did not involve extra or new money were both critical to our success. The tribes that got involved did so, not as a scheme to secure new funding, but because they truly wanted to redesign and consolidate these critical human service functions for the benefit of the members of our communities.

The individual successes that all of the Public Law 102–477 tribes have experienced are exceptional in my 20-plus years of experience in Indian employment and training. In Anchorage, we have almost tripled our number of job placements. We calculate that we have reduced our Federal paperwork burden by 96 percent.

We have been innovative in the design of our program in Anchorage, in ways that we would never even have thought of before Public Law 102–477. Our approach to serving our youth is a very good example. Prior to Public Law 102–477 we had a number of activities that targeted youth. These services were spread across three separate department of Cook Inlet Tribal Council. Some of these youth-oriented missions, in fact most of those youth-oriented missions, were being lost in larger programs. For example, latch-key kid and before- and after-school activities were part of a much larger child care block grant program that provided child care subsidies for eligible families; the youth employment activities were part of a much larger, adult-oriented, job placement and training department.

Because all of these Federal programs lose their identity when integrated into a Public Law 102–477 plan, we found that we were empowered by Public Law 102–477 to come up with a design that was smarter and would be of more value to our young people. We have taken all of the bits and pieces of youth-oriented programming from programs consolidated under Public Law 102–477 and have built a full-service, absolutely youth-oriented department that really brings all of these pieces together into an effective one-stop effort for our youth. Our determined goal is to support our students and parents to raise the scores of our students, to lower the horrific drop-out rate, and to help these young people get ready for the real world by helping them prepare for the workplace by bringing all of our tools to bear.

Each of the Public Law 102–477 tribes came into the demonstration with different agendas. In Cook Inlet, it was our young people; in Fort Berthold it was a determination to do something positive with General Assistance; for the Central Council of Tlingit Haida Indians in Juneau it was a desire to do more to support a very large native veteran community in that area. One of the most "right" things about Public Law 102–477 has been the flexibility allowed each community to design local solutions to meet local problems.

The Office of Indian Education Programs, we're talking about where we've had trouble now, has been a tremendous source of resistance to Cook Inlet Tribal Council when we attempted to integrate the Johnson O'Malley program into Public Law 102–477. They fought us for an entire year. I swear to you that we did not receive our JOM funding for our fiscal year 1996 Public Law 102–477 plan until literally the last day of the school year of that year. We ran a program and fought with OIEP for an entire school year without Johnson O'Malley funding. When we tried to work with OIEP staff and the folks at the BIA we were treated like so much garbage.

Our Council, finally convinced of OIEP's bad intentions toward our efforts, finally had to reprogram our JOM funds into an education program of tribal design in order to escape from 65 year old JOM regulations that could have been waived, but were protected by self-serving bureaucrats. They were more interested in maintaining the status quo than in helping us design and implement meaningful programs for our young people.

In closing, I'd like to say that the Public Law 102–477 demonstration has succeeded beyond our wildest expectations. While no one was watching us, the Public Law 102–477 tribes set about reinventing government. We have been successful in spite of, not because of, any Federal assistance or leadership.

Our challenges are minor in comparison to the local successes that we have achieved. With your help we can expand the successes of the Public Law 102–477 pioneers to the rest of Indian country and even the rest of the nation as they continue to consider national employment and training consolidation. It does work. The Public Law 102–477 tribes have proved it.

I, for one, am not surprised and am eternally proud that the Indians are on point on this important effort.

Chairman Campbell, I have to thank you with all of my heart for your help today. Senator Murkowski, we have always appreciated your support for Alaska Natives and your efforts for our State. To the other members of the committee and the staff, I add my sincere thanks for your interest in Public Law 102–477.

[Words spoken in Native tongue.]

The CHAIRMAN. Thank you.

[Prepared statement of Mr. Bingham appears in appendix.]

The CHAIRMAN. We will now hear from Ms. Olsen, Director of the Employment and Training Programs of the Tlingit and Haida Tribes of Alaska.

STATEMENT OF SHARON OLSEN, DIRECTOR, EMPLOYMENT AND TRAINING PROGRAMS, TLINGIT AND HAIDA TRIBES, JUNEAU, AK

Ms. OLSEN. Good morning. Greetings from Alaska, Mr. Chairman, Vice Chairman, and distinguished members of the committee. I am here representing President Edward K. Thomas today who had to cancel at the last minute. But for the record, I want you to know that he has supported us in Public Law 102–477 from the very beginning and continues to do so.

I appreciate the opportunity to offer some comments from my tribe's experiences under Public Law 102–477. The Tlingit and Haida perspective on Public Law 102–477 is unique, for two reasons. My tribe was the first tribe in the country to be approved to contract under Public Law 102–477, and we were also the first self-governance tribe to participate. As a self-governance tribe and a Public Law 102–477 tribe, we have double flexibility—flexibility over use of Federal funds, and flexibility in the kinds of tribally-driven programs and services we are able to provide under Public Law 102–477 to meet local community needs. We have additional flexibility to enter into joint ventures and to redesign a variety of tribal programs to address the severe problems of unemployment and poverty of our people.

I am very proud to say that each year we have exceeded our performance standards under Public Law 102–477. Since 1994, when Central Council integrated our various tribal employment and training programs into a single comprehensive program, the accomplishments and rewards have been exceptional. Many of our tribal members have directly benefited from Public Law 102–477 flexibility. I would disserve them if I left here without convincing the committee that Public Law 102–477 has made a tremendous difference in our tribe's ability to improve the effectiveness of tribal services, even as our formula-funded levels have declined.

I would also like to say a few words about the recently enacted Welfare Reform Act. Tlingit and Haida is holding off for a year before applying to administer a tribal TANF block grant program, at least until the State match issue is resolved. If the tribe cannot receive the full amount of money the State spent on AFDC for Native Families in fiscal year 1994, it will be very difficult to assume full responsibility of running a TANF program. Until this issue is resolved, we will be contracting with the State of Alaska to do only the work activities portion of the State TANF program.

Another critical issue related to the new Welfare Reform Act is whether full funding at the fiscal year 1994 level would be sufficient to cover the necessary cash benefits, pay the cost of case management and other essential services, and reimburse native groups for the rather steep administrative costs associated with TANF. If caseloads increase above the fiscal year 1994 levels, the amount would not be enough. Since we have no funds designated for welfare reform, we have been using some of our Public Law 102–477 funds and other grants to support various activities that educate and position our tribes to reduce welfare. For example, we've convened two welfare reform workshops and produced a video about the new law. We are also taking other administrative steps to prepare to assume the tribal TANF program.

Central Council is also addressing the needs of welfare reform through a new regional vocational training and resource center in which many of our Public Law 102–477 clients participate, in an enhanced Even Start program that utilizes some of our child care development block funds, and tribal jobs under Public Law 102–477, all of which has received a tremendous response from tribal members wanting to participate, and in increased job development efforts to meet the new work requirements of TANF and our General Assistance Tribal Work Experience Program.

Before I conclude by highlighting our recommendations for the committee to consider, I want to mention other related problems that complicate our Public Law 102–477 efforts in Alaska.

Rural Alaska Natives are undergoing, some would say suffering, a fast transition from a subsistence economy to a capitalist economic system. In some of our small Native villages, unemployment rises to as high as 80 percent during the winter months. Food and clothing derived from subsistence, hunting and gathering activities can supplement a family budget, but the old ways of subsistence do not produce cash that is increasingly needed to pay for heat, utilities, clothing, and shelter. Jobs produce cash. But there are far too few jobs in rural Alaska for Alaska Natives. In part, it is due to the economy; it is also due to historic discrimination and governmental policies affecting the workplace, as we have outlined in our written testimony.

In conclusion, Tlingit and Haida Central Council endorses the recommendations of the Public Law 102–477 Tribal Work Group as set forth in written testimony. In addition, Central Council asks that the committee consider two additional recommendations:

No. 1, that the Senate Committee on Indian Affairs urges the Clinton administration to expedite the provision of tribal TANF funds to tribes that are participating in Public Law 102-477 and who may wish to include TANF in their Public Law 102-477 plans.

No. 2, that the Committee on Indian Affairs insist, as part of its oversight responsibilities, that the BIA regularly report to the Committee on BIA's performance in responding to tribal requests for consolidation and fund transfer under Public Law 102–477.

In our view, BIA has been the biggest obstacle to the implementation of Public Law 102–477, ignoring the needs of Public Law 102–477 tribes or refusing to exercise the flexible authorities mandated by statute. We need the committee's active oversight of BIA on Public Law 102–477 so that the act can be implemented on an ongoing basis in a timely and efficient manner.

[Words spoken in native tongue], which is "thank you" in Tlingit and Haida.

The CHAIRMAN. Thank you.

[Prepared statement of Edward K. Thomas appears in appendix.]

The CHAIRMAN. We will now go to Gerald Heminger.

STATEMENT OF GERALD HEMINGER JR., TRIBAL COUNCILPERSON, SISSETON-WAHPETON SIOUX TRIBE, AGENCY VILLAGE, SD

Mr. HEMINGER. Good morning, and thank you, Mr. Chairman and members of the committee. My name is Gerald Heminger. I am a member of the Sisseton-Wahpeton Sioux Tribe. For the last 46 months I have been serving as a tribal councilperson. The tribal council has appointed me to monitor our Public Law 102–477 program and serve as an advocate for the program.

I thank the committee for the opportunity to testify on behalf of my own tribe and its involvement with Public Law 102–477.

People in Washington, DC are probably not familiar with the Sisseton-Wahpeton Sioux or the Lake Traverse Reservation. Let me share some information about the tribe and our involvement in Public Law 102–477.

The Lake Traverse Reservation is located in northeast South Dakota with a small part of the reservation located in southeast North Dakota. The tribe's administrative center is situated in Agency Village, which is a 3-hour drive from Sioux Falls and a 2-hour drive from Fargo, ND. The reservation is very rural. There are approximately 10,000 members of the Sisseton-Wahpeton Sioux Tribe with about 45 percent of them living within the boundaries of the reservation.

We are a people rich in tradition and proud of our heritage, however, the following reservation economic conditions indicate the current quality of life of many of our tribal members:

According to the 1990 Census, a little over 60 percent of the Indian people on the reservation live in poverty;

According to the most recent BIA data, the unemployment rate on the reservation is approximately 45 percent;

There is a real shortage of quality child care facilities; and

Many families have a need for adequate housing.

In many areas the above conditions would be considered a real tragedy. These economic conditions make it very difficult for many of our tribal members to seek and retain employment.

Public Law 102–477 provided our tribe and others the opportunity to implement a program that could address the employment and training needs of Indian people on the reservation in a more effective and efficient manner. In March of 1994, we started our Public Law 102–477 demonstration project. I would like to mention a few of the highlights of our tribe's program.

The first thing I would like to state is that the biggest benefactors of the tribe's implementation of Public Law 102–477 has been, and continues to be, customers of the tribe's employment and training programs. Public Law 102–477 has greatly improved the quality of services received by employment and training applicants and participants.

Previous to Public Law 102–477 the tribe had five different employment and training programs. Each program had its own application process, assessment process, and set of services. Often applicants were shuffled between programs in order to address their employment and training needs. This no longer happens. Applicants and clients no longer feel frustrated in applying for needed assistance. Prior to Public Law 102–477 the five different employment and training programs that the tribe administered were required to generate on an annual basis over one hundred different reports, both Federal and tribal. Under Public Law 102–477, the level of reporting has been reduced to under twenty reports on an annual basis. The savings in paperwork and staff time spent on purely administrative tasks has been tremendous. This time is now used to address participant needs as well as the needs of employers on the Lake Traverse Reservation.

The second that I would emphasize is the tribe has relied upon the Public Law 102–477 program to support tribal economic development. For example, in 1995 the tribe decided to relocate its agency bingo hall to a site located on Interstate Highway 29. The economic enterprise had become stagnant and expansion was not possible because of its location. Through relocation the tribe was able to expand the enterprise to include a small casino, a convenience store, and a gas station. This endeavor also generated an additional 20 jobs for tribal members.

To assure initial success and reduce startup costs, the tribe utilized the Public Law 102–477 program and the local community college to give prior training and work experience for the expanded workforce. Twenty-nine participants received training; 12 were initially hired when the enterprise opened, 2 participants found other employment, 2 decided to pursue additional vocational education, and 8 were hired within 6 months following the opening of the relocated enterprise. This would not have happened without Public Law 102–477.

In November 1997 the tribe opened a new gaming enterprise. This generated over 300 jobs for tribal members. Because of the Public Law 102–477 program, the tribe was able to assist 106 very economically disadvantaged tribal members with supportive services which enabled them to obtain and retain employment at the new casino. Supportive services included initial transportation costs for training, vehicle repair, housing assistance, and child care. Of the 106, 30 were welfare recipients. As of April 1, 26 of these were still employed. Only because of the resources and the flexibility of our Public Law 102–477 program was the tribe able to provide the above mentioned level of assistance.

We have included some welfare caseloads. I'm not going to go through that.

I truly believe this very significant reduction in welfare caseloads can almost exclusively be credited to the Public Law 102–477 program and the productivity of the tribal Public Law 102–477 staff. If the State of South Dakota were to receive bonus funds for being a high performance State under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, it would be a great injustice if our reservation and its members did not benefit from such funds.

On July 1, 1997, the State of South Dakota will begin full implementation of its Temporary Assistance for Needy Families program. It is difficult for us to calculate or visualize the impact that it will have on the tribe and its members. We anticipate that our Public Law 102–477 program will be at the forefront in addressing welfare reform's impact on our reservation. Mr. Chairman, our tribal council last Friday, if I may, went on record to implement our own temporary assistance for needy families plans because we feel we can do it better than the State.

We would like to make the following recommendations to improve the Public Law 102–477 initiative:

No. 1, that the Senate Indian Affairs Committee urge the Secretary of the Interior, the Assistant Secretary for Indian Affairs, and the heads of other Federal agencies involved in Public Law 102–477 initiative to meet with tribes participating in the initiative not less than twice each year to review the accomplishments of the demonstration and to resolve any pending issues.

No. 2, that the Secretary of the Interior and the Assistant Secretary for Indian Affairs issue a clear directive to all BIA staff in Central Office and in the field requiring their support of the Public Law 102–477 initiative. This directive should also clearly indicate that the General Assistance and Johnson O'Malley programs can be included in tribal Public Law 102–477 programs.

Our tribe incorporated General Assistance funds into its Public Law 102–477 program in fiscal year 1995. For some reason BIA arbitrarily withheld 1997 General Assistance funds from our program until May 1 of this year. On January 3, 1997, the State of South Dakota was declared a disaster because of winter weather. The severity of the winter depleted all tribal monetary reserves. The tribal government should not have been placed in the position of having to be concerned about having adequate funds for welfare recipients, when such funds had already been appropriated but had not been allocated to the tribe for some reason unknown to us.

No. 3, that BIA and other Federal agencies provide financial support for the technical assistance efforts of the Public Law 102–477 Tribal Work Group.

No. 4, that the Committee on Indian Affairs consider an amendment to the law to permit agencies to grant waivers of statutory provisions in the programs which tribes can integrate under Public Law 102–477, consistent with the purposes of Public Law 102–477.

No. 5, that BIA ensure adequate staff resources to properly support the Public Law 102–477 initiative. Welfare reform may dictate other tribes into developing a Public Law 102–477 program.

This concludes my prepared statement. I would like to thank you again on behalf of the Sisseton-Wahpeton Sioux Tribal Council for the opportunity to testify.

The CHAIRMAN. Okay. I thank you.

[Prepared statement of Mr. Heminger appears in appendix.]

The CHAIRMAN. I've got a couple of questions of each one. Let me just start with Bud Mason. The largest employer in your area are Government agencies. Does Public Law 102–477 enable you to better market the talents and skills of tribal members to outside employers?

Mr. MASON. Yes, it does; as I mentioned in my prepared statement, in our recent negotiations and agreement with the Turtle Mountain Chippewa Tribe with their data entry program, all of those people who are now employed by the Uniband were participants in a Public Law 102–477 program. The Public Law 102–477 program along with the community college prepared these people for the positions that they now hold, which is really interesting about that initiative, and it's in a rural area, we look for the second shift of probably 100 people to be employed within the next 6 months, we're looking at three shifts to about 150 people being employed. We've had since the program started only one dropout, one person who has left the program.

And also with our Mandaree electronics, which is dependent on defense contracts, our beneficiaries, or the people who work there, are participants in a Public Law 102–477 program. Along with that, in the small casino operation, in the management activities, all of the supervisory positions in training also Public Law 102–477 plays a major role in that.

The CHAIRMAN. I know with many of the reservations that are far away from a market they have trouble, in addition to skilled labor, with things such as shipping, market proximity, things of that nature. Do you also have those problems?

Mr. **Mason**. That holds true, Senator, for not only the Indian communities in the Northern Plains, as my friend from Sisseton had mentioned. We're in a rural area and that impacts not only the Indian population, but the non-Indian population as far as bringing industry in. We're going to be far from being—we'll never reach probably 80 percent or more because of that. The transportation situation is such and it is just an area, because of the climate, because of it being rural, that does not really attract that much industry up there.

The **Chairman**. Chairman Billie, you mentioned the administrative burdens have lessened as a result of the act. Could you be a little more specific on what paperwork has been lessened.

Ms. **Vass**. He's back there; I'm up here.

The **Chairman**. Okay.

Ms. **Vass**. One of the things that I like about Public Law 102–477 is it's one-stop shopping. We have one application, we have one report that we have to fill out regarding our participants, and we have one financial report that we have to fill out for our program. Before, when someone came in to our department we had to determine whether or not they were a JTPA participant, or an adult vocational training participant. Now when they come in they fill out that one application, we can talk with them, we don't have to send them to the Jobs person or to the JTPA person, and we don't have to sit there and change four different hats for one particular person. We can take care of it all right then and there. We only have one budget. That makes it even all the more better.

This is perhaps one of the most innovative programs, if not the most innovative program, that I have ever participated in in my 18 years as being an employment and training director. It is the only way to go.

The **Chairman**. You mentioned, or Chairman Billie did, the success of providing educational opportunities, work experience, and after-school programs.

Ms. **Vass**. Yes, sir.

The **Chairman**. I wanted to ask maybe a two part question. First of all, about the job placements, are they made primarily off reservation or on? And second, I know that tourism is an important part of the economy for Chairman Billie's tribe, what percent of those are related to tourism jobs?

Ms. **Vass**. We only—in terms of the young people with the tourism jobs that we have for them after school, it may only be anywhere from 10 to 12 percent, the rest are in our economic development programs, including our citrus programs, our farm programs.

The **Chairman**. So they're primarily on reservation jobs?

Ms. **Vass**. Yes, sir; and we have approximately 13 to 15 percent that are off the reservation, but that would include anything from data entry to programming.

The **Chairman**. The youngsters that are trained, do they drive themselves out to the citrus area, for instance, where they have to do the work?

Ms. **Vass**. It is close enough that they would not have to. We don't have that problem because it is right on the reservation if they are working within the citrus program or within the farm program we have there. They drive their ATVs, so they don't need a car.

The **CHAIRMAN**. I see. Okay. Is there also an element in the Public Law 102–477 program that enables tribal members to use their skills to develop their own small businesses?

Ms. **VASS**. Not presently. It would be very difficult at this point because of the statutory limitations we have to be able to do that with as much ease as we would like to. In terms of those limitations, it would be best that, as far as the Work Group was concerned, we write those to you rather than begin to explain them right now.

The **CHAIRMAN**. You have something to add, Mr. Bingham.

Mr. **BINGHAM**. Mr. Chairman, we've actually been able to do something that's a little bit innovative in Anchorage to try to help some of our small native businesses. We found that there were people on occasion who did want to hire native contractors or use native firms but they didn't know where to find them. It was a very simple problem without a real obvious solution. So we actually took a look at that. We're building a $160 million Alaska Native medical center which is getting ready to open in the next couple of weeks in Anchorage, and as part of that effort, which was a part of our Public Law 102–477 program, we actually did put together—and I think we're in our fifth or sixth edition now—a Native Business Directory. That has resulted in the native hospital in about $23 million in subcontracts to native businesses. We hear almost constantly from our small business people that the fact that they were in the directory did bring them some new business. So, it has helped.

The **CHAIRMAN**. Is that published and sent out to potential employers?

Mr. **BINGHAM**. Yes, sir; we've even put it on the Internet.

The **CHAIRMAN**. Great. As long as you have the microphone, I wanted to ask you a couple of questions. First, we dealt a little bit with this resistance of the Bureau of including Johnson O'Malley. I heard you talk a little bit about the status quo and the bureaucrats and so on, but do you have some specific instances?

Mr. **BINGHAM**. We really felt, and our Council very strongly feels, that we need to start with our young people. We have so much of our programming that is adult-oriented and we're always chasing the problem. It's gotten away from us.

The **CHAIRMAN**. We heard earlier from them that they, as I understood it, just don't feel that that's the Johnson O'Malley mission.

Mr. **BINGHAM**. Well, they've taken a real interesting attitude toward us. When we decided to include it in the first place the relationship became almost instantly adversarial. It was as if we were trying to do something terrible. In fact, our Johnson O'Malley program had been reduced from about $1.4 million about 15 years ago to about $400,000 today. So we had watched our services very much continue to dwindle. At the same time in Anchorage we're seeing a population explosion that's not unlike Mexico City. We often tell folks that we're the Mexico City of the North in terms of the increase in the Alaska Native population.

So, with dwindling resources and a greatly expanding population—and in Alaska we are a very young population as a State and the native population is even younger than the national average and the State average—we felt that we really had to get in front of that curve. We were working with Anchorage School District and we've watched continually the test scores for our students continuing to slide, the drop-out rate continues to escalate, our students are literally at the top of every negative indicator and the bottom of every positive indicator. So we felt very strongly that we needed to pull all of these things together to try to reverse that trend, and that we were actually making an investment in the future and that by doing these things we would be able to get in front of that curve.

The Bureau, when we tried to talk with them about some of our waiver issues and things along that line, there was no communication at all. We even attempted with our lawyer to come back here on numerous occasions and meet with them, address some of their concerns. While we were in limbo for that one year while we were fighting, we made numerous attempts to try to contact them and say what are your problems, what are your issues, talk to us and we'll try to help you resolve them. It was not a two-way communication at all.

I heard someone talk earlier about the quarterly meetings with the tribes and the BIA's meeting with us. We come back here and meet—in January we came back and met for 3 days. The only Bureau staff we had was the most junior line person involved in the demonstration, who is a wonderful lady, but to meet with the folks that are in charge, we had to go up on the Hill, and only three or four of us were able to go up, and practically had to demand a meeting. They told us while we were there that they had been talking for the last 3 or 4 days about these GA and Johnson O'Malley issues. We asked them why they didn't come and talk with us for the last 3 days that we had been in town. So it was very much a closed communication on their part. From our perspective, it really is just bureaucratic self-interest.

The CHAIRMAN. Well, we may have to clarify the intent of the original bill. So from that standpoint, I would like some input from you to staff, if you could provide that.

Mr. BINGHAM. We'd be happy to do that, Senator.

The CHAIRMAN. It seems like the places where JOM has been included it has been very successful.

Mr. BINGHAM. Yes, sir; it has. We found that this year with our summer youth, we're actually marrying the Johnson O'Malley effort and our youth employment efforts. And what we're doing academically, which is we'd never done when it was an employment program, we're doing a lot more academic things with our students during the summertime to help get them prepared. Eventually, they land on our doorstep as adults who will need jobs. We want them to be ready when they get there.

The CHAIRMAN. Okay. Well, we'll look to you for some help. Who is the largest employer in your area?

Mr. BINGHAM. Oh, goodness. Probably Carr-Gotstein or one of the oil companies. We actually created a separate tribally-developed organization that we call "Alaska's People." Their sole mission is to help people get jobs. We actually spun that out of Cook Inlet Tribal Council. And at a time when we've tripled our job placement efforts and we're actually getting 1,500 placements now rather than the 500 we were getting previously, we're spending a quarter of a million dollars less on that effort now than we were before Public Law 102–477.

The CHAIRMAN. How does your Tribal Work Group work with the group that you just mentioned?

Mr. BINGHAM. With our employers? They go out and develop jobs. We're working with a big FedEx operation in Anchorage we're turning into a major terminal for shipping operations and overnight express, that sort of thing. So we actually have a full-time crew of job developers who really are focused on job development, not on chasing a lot of paperwork and doing all the reporting things.

The CHAIRMAN. Is that work separate from your Tribal Work Group?

Mr. BINGHAM. Yes; that's a separate organization that we've created.

The CHAIRMAN. What is the makeup of the tribal work group?

Mr. BINGHAM. The tribal work group, the Public Law 102–477 Tribal Work Group is basically all of the tribes involved in the demonstration actively as grantees, and it also includes tribes who have been interested. What we've noticed is that tribes will start attending meetings and they may meet with us for 6 months or 1 year to learn what those of us who have been in it have been up to, and then it seems to be about a 6-month or 1 year curve that, after they're participating for a little while, they prepare a plan and they jump in.

The CHAIRMAN. Sharon, you indicated 85 percent of your funding is dedicated to employment and training. Are energy-related jobs the major source of jobs for you, too?

Ms. OLSEN. What I meant was 85 percent of our General Assistance program was transferred to employment and training from our human services department this allows us to spend General Assistance funds helping people get trained or go to work. We did a variety of things. We were able to work with Alaska Native Claims Settlement Act [ANCSA] corporations and with HUD. When the pulp mills closed in three of our communities and we had a fire at one of our canneries, we were able to assist by placing people in different positions and provide the necessary training. We also did a project with the Housing Authority and the university, where we constructed 50 homes in the community of Juneau. In that project we were able to place our TWEP participants and also some of our other Public Law 102–477 participants in jobs, after the pre-construction training.

We also had a pre-employment training where 30 of our shareholders went through a pre-construction, pre-mining training and all 30 are now working with mining companies with three of our corporations. We have really done a variety of things with Public Law 102–477 as well as developing our vocational training and resource center.

The CHAIRMAN. You noted that the contractors, even the State and sometimes Federal agencies, bring in outside labor instead of hiring Native workers. Has this Public Law 102–477 plan and the resource center in particular resulted in any changes in those hiring patterns?

Ms. OLSEN. In our Public Law 102–477 plan, we have a tribal employment rights officer, who works with the State and with the Federal Government as much as possible in identifying labor forecast plans and how we can train our people in enough time to take advantage of those jobs. But oftentimes the State does not provide us the information, nor does the Federal Government. So, we do not always have the people prepared in the villages to work. They just miss out totally.

In one of our villages last year, the village of Angoon, was the first time that the State DOT, the Federal BIA, and a tribal government had a road project where Indian preference was allowed, for local Natives to be hired. It was a very significant project where they hired qualified Natives, and if there were not enough qualified natives, those qualified Natives trained the unqualified Natives and increased the hiring in that community. So the majority of the people who worked on that project were Alaska Native and local hire.

The CHAIRMAN. Senator Inouye, did you have any questions that you would like to ask?

Senator INOUYE. First, I would like to commend you, Mr. Chairman, for scheduling this hearing. It is very important. I think the oversight of Public Law 102–477 is very important.

I'd like to also apologize for not being here on time, because there was a conflict in schedule, I had to go to an appropriations committee hearing. If I may, Mr. Chairman, may I have my statement made part of the record?

The CHAIRMAN. Without objection, your complete statement will be made a part of the record.

[Prepared statement of Senator Inouye appears in appendix.]

STATEMENT OF HON. DANIEL K. INOUYE, U.S. SENATOR FROM HAWAII, VICE CHAIRMAN, COMMITTEE ON INDIAN AFFAIRS

Senator INOUYE. Ever since the founding of this Republic, pursuant to our constitutional provisions and the laws of the land, Congress has enacted many laws, supposedly with the intent of enhancing or improving upon our trust relationship with Indian country. But as we sadly know, many of these laws have been either counterproductive or placed Indian country in jeopardy, and very few are success stories. But here we have a success story.

All of you testifying here have had songs of praises for the way the consolidation of programs has worked for you, bringing you flexibility, taking away bureaucratic obstacles, and such. My amazement is that this is a voluntary program and only 18 tribes have responded. Now, if it is such a success story, and all of us here want to have not just 18 of them, but hundreds of them, can you on the panel tell me why other tribes have not responded?

Mr. HEMINGER. Yes, Mr. Inouye; I would like to respond.

Senator INOUYE. I would like to hear from all of you.

Mr. HEMINGER. Yes; I guess from our side, from the Sisseton-Wahpeton Sioux Tribe, as with a lot of tribes, we've been led by BIA for many years, and it is just like a little child when you let them go, they hate to take that first step. The tribes that have first jumped into this welfare reform have taken that first step. I think you're going to see over the course of the next year, maybe 1½ years of a lot of other tribes are going to look at the demonstration models that we have done and I feel they're going to follow right along. They just needed somebody to take that lead. Our tribal councils and our chairmen have taken that lead and stepped up to bat here.

Mr. **Mason**. Thank you, Senator. I'm Bud Mason, Chairman of the Three Affiliated Tribes. I agree with my friend from the Sisseton-Wahpeton Sioux Tribe. In meetings with most of the chairmen of the United Tribes of North Dakota and chairmen of the Aberdeen Area Tribal Chairmen's Health Board, there is a fear I think by a lot of the treaty tribes, especially where I come from, and the Three Affiliated Tribes is one of the many treaty tribes up there, a fear of termination; that this is a method of the Federal Government getting away from their responsibilities. I think that fear is real among a lot of tribes. I think you can find that, in the area that we come from, even with 638 contracting or self-governance, again, there is this fear of termination. We know that the termination mentality still exists. So I think this is one of the major fears that some of our tribes have.

Now, the Three Affiliated Tribes have taken a different position. We feel that we have the capabilities of managing our own affairs, and I think that the Public Law 102–477 initiative certainly has allowed the tribes to demonstrate that they're capable. And the tribes working with Congress in eliminating the redtape, it always behooves me of how the BIA will continue on with "work as usual" without trying to take up the challenge and make the change themselves. The Three Affiliated Tribes' position, as far as treaties, is that we do have these treaties but we feel that they're pretty delicate, because if our treaties were as solid as they were, we wouldn't have lost 180,000 acres of our land taken up by the Garrison Dam.

However, we feel that we do have the infrastructure, we do have the knowledge. Our tribe on a per capita basis probably has as many, if not more, college graduates, Ph.d.s, M.D.s, lawyers, and what have you, so we feel that we have the capabilities, and that given an opportunity, we think that we can manage a lot better than any of the Federal agencies can. Thank you.

Mr. **Bingham**. Mr. Vice Chairman, I would like to respond to your question also. One of the things that we've noticed has been, the fact that we were trailblazers, the Cook Inlet Tribal Council is one of the technical assistance providers for the last several years, in fact, we are the technical assistance provider, and I've been all over the country doing workshops and helping other tribes write their plans and bringing them in. And over and over and over I've heard the concerns that Bud and Gerald have raised from different tribes about termination issues, especially in the Billings, Aberdeen area that's a biggie. But there is also a disinformation campaign going on. As recently as this week, the Anadarko Area Office told the Citizen Potawatomi Nation that if they get into Public Law 102–477 they were putting their 638 money in jeopardy somehow, which is absolutely ludicrous.

Senator INOUYE. Just for the record, can you name that person so we can call them here.

Mr. BINGHAM. I'm sorry, sir?

Senator INOUYE. Who is the disinformation agent?

Mr. BINGHAM. It's coming from the Anadarko Area folks. What we've noticed consistently is that, despite directives out of Central Office of BIA, and we were very anxious that this demonstration be contained in Central Office so that everybody did hear the same thing, that has not been entirely successful. The area people and the agency people seem to have almost an unlimited amount of autonomy to do whatever they want to do. We've encountered a tremendous amount of resistance and disinformation coming out of those offices.

In addition, in the first year we had, as was mentioned earlier, terrific cash flow problems. A lot of us were used to working with the Labor Department and HHS and getting our money in hours through an electronic cash transfer system. In the Bureau, we are into a system that takes weeks. And that caused a lot of grief early on. A lot of tribes sat there and watched us go through a lot of difficult times in fiscal years 1994 and 1995, and they said we're going to wait for you guys to work out the kinks in this thing. They're watching us fight with Johnson O'Malley, they're watching the fight about GA, they're watching what happens here today, and they're saying when it gets all cleared away, then we're going to go.

The thing that I heard very clearly—I just came from Los Angeles, the National Indian Employment and Training Conference is going on there this week—welfare reform is driving the entire machine. And tribe after tribe after tribe is standing up saying the only thing we can see to get ready for welfare reform is to follow the Public Law 102–477 tribes, that seems to be the only workable way. But they're waiting for us to clear the decks and get this thing completely set before they jump in.

Ms. OLSEN. Many of us are tribal consortiums, so we're not just one tribe. The central council has 17 tribes, and I know the Association of Village Council President has 52, and so forth. There are more tribes than you see represented.

I think in answer to your question as to why there's not total participation, is because there's no one fulltime at the Bureau level to contact. I call many times and the phone rings and rings and rings, and no one ever answers. We go to meetings and the only BIA people that attend, are the ones that don't have the answers and can't make decisions.

It is really hard, especially in Alaska, to try and contact someone in Washington, DC and get the answers that we need in order to make a decision to participate. So I think with no staff and no support at the Bureau level, why should there be an influx of tribes wanting to participate when they can't even get a telephone call answered?

Ms. VASS. Mr. Vice Chairman, I would like to say "ditto, ditto, ditto, ditto," right down the line. However, I would also like to say that one of the things that each and every one of you must remember is that we truly were trailblazers; there was absolutely no one in the Bureau of Indian Affairs that had even read the law. When

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we got there for our first meeting, we had to hand them a copy. The next couple of meetings—and I'm telling the truth—the next couple of meetings we had different people who were playing different parts. So we never got any kind of stability.

Now, because we have ironed out many of the terrible problems, there will be more people coming in but it will be a matter of time. And with your assistance, and with changing some of the statutory waivers that we'd like to see, I think you'll see more and more tribes.

The CHAIRMAN. I think we might have made a mistake, Mr. Vice Chairman, we should have had the Bureau testify after this panel, not before it. [Laughter.]

Senator INOUYE. Mr. Chairman, obviously, there is a common thread here that the BIA is playing some strange role. I would strongly suggest that the full transcript be sent to the BIA and that they be directed—not requested, but directed—to respond point-by-point on everything that has been said in the testimony here, because I think it is inexcusable and unacceptable that a program of this nature, which is obviously being carried out very successfully by 18 participants, yet apparently bureaucratic redtape is still in existence, not only to make it difficult for the present 18, but to make it almost impossible for others to join in.

I have another question, if I may ask. As you know, the House of Representatives is considering H.R. 1385, the Workforce Consolidation bill, and the Senate Committee on Labor will be doing the same thing. There are some of us who are hopeful that this temporary program, this pilot program that you're operating under will be given permanence and maybe through this vehicle. I would hope that this committee will be able to suggest to our colleagues in the Labor Committee that serious consideration should be given to add Indian provisions in the bill.

Now, have you people been given the opportunity to appear before the Labor Committee?

[All respond in the negative.]

Senator INOUYE. Have you made any input to the House committees?

[All respond in the negative.]

Senator INOUYE. Have you been asked to provide any input?

[All respond in the negative.]

Senator INOUYE. Mr. Chairman, I think we should share this testimony with our colleagues in the House and the Senate, because if you're going to have success stories of this nature, and if the only role we play is to give it the kiss of death, then we are not carrying out our trust responsibilities. This is a good opportunity for us to really out our trust responsibilities and also convince those in Indian Country that, if anything, this will enhance our trust responsibility, not endanger it. If BIA goes around—I don't know who, what agent is doing this—to suggest that if you apply for this you're going to go out of business, those people should be strung up here.

And so, Mr. Chairman, with that I'd like to thank all of the panel members, and to say that Paul Simon, who was the author of this measure five years ago, if he were here he would be very pleased to listen to your testimony. I'm certain he's going to hear about this. I'm going to send him a copy of this testimony with a letter saying, "You've done a good job."

I'd like to ask one more question. Based on your experience, do you think that another Federal agency should be designated as the lead agency in implementing this program? Now you people have given the BIA a thorough thrashing today. Should there be another agency, and if so, where?

Ms. OLSEN. At one or two of our Work Group meetings we talked about self-governance taking Public Law 102–477, because it really is in line with self-governance. We offered that as one option. As the first self-governance tribe to participate, our plan was attached to our compact and there was no difficulties, no loss of time or anything, it just moved right along. I know the other tribes that weren't self-governance had to go through much more than I did as a self-governance tribe. So the Office of Self Governance might be one avenue to look at.

Mr. BINGHAM. I'm drawing a blank. We think that there is much from this demonstration that the rest of country can learn. The specific question again was, sir?

Senator INOUYE. All of you have done your job in thrashing BIA. Do you think that there's another agency that should take the lead?

Mr. BINGHAM. Oh, the other agency, yes, rather than BIA. I try not to think about them. The Tribal Work Group has had a tremendous amount of conversation around that whole discussion and is this the appropriate agency. A number of us at different points have thought that maybe the Labor Department would be a better place, since we've got a good relationship, we've got a good person running the Indian division over there now. We didn't when we started Public Law 102–477; in fact, we were trying to escape from Labor to some degree when we created this.

The Office of Self-Governance is probably the most natural place. A number of us when we started talked with Bill Lavell, who was the director of that office at the time. Bill claimed, and probably correctly, that the Office of Self-Governance was being swamped with all of their work with the self-governance tribes and they simply didn't have the staff or the energy to take it on at that point. I don't know if that's still the case or not, but I think it would have probably helped us. The kind of cut and dash that OSG is capable of doing is really contrary to where the rest of the Bureau is, and I think if we would have been able to get connected to that office originally we probably would have seen a lot more success and a lot less grief along the way.

The CHAIRMAN. I might mention that Labor and HHS did not appear today but they did submit testimony for the record.

Ms. VASS. As Leroy mentioned, we have had many discussions about another agency taking over our Public Law 102–477. In many ways we still feel that the Bureau, being the lead agency and having that trust responsibility with federally-recognized tribes, needs to own up to what they need to do. At the same time, the Office of Self-Governance really does only make sense.

The CHAIRMAN. Okay. I thank you. We appreciate your appearing today.

Excuse me, were you done with your questions?

Senator INOUYE. No; I just want to commend you for calling this panel.

The CHAIRMAN. Our final guest today will be Norm DeWeaver, Director of the Indian and Native American Employment and Training Coalition. If you would take your seat. Norm, if you'd just go ahead and proceed, and your complete written testimony will be included in the record. We have to be out of here in about 15 or 20 minutes, so you can abbreviate it, if you would.

STATEMENT OF NORM DeWEAVER, INDIAN AND NATIVE AMERICAN EMPLOYMENT AND TRAINING COALITION, WASHINGTON, DC.

Mr. DEWEAVER. Thank you very much, Mr. Chairman. Thank you, Mr. Vice Chairman. I will be brief. I've submitted a long written statement, partly to help amplify on the background and some of the problems we've had in Public Law 102–477. So, I will capsulize some of the things in the written statement. Some of the things I may say may sound anti-climatic after the last panel. I would like to point to welfare reform as an example of what's going on. Welfare reform is basically about work. The Congress has decided that. The President has decided that. Employment services are about helping Indian people go to work. Employment services have been at the forefront of welfare reform.

Before Congress passed any kind of statute, the Three Affiliated Tribes, in submitting one of the first Public Law 102–477 plans, proposed to make a revolutionary change in the way General Assistance was handled. It decided to make training opportunities, work opportunities available to people on General Assistance. The tribe did that on its own. It achieved results. The Chairman was here to testify to those results.

The Three Affiliated Tribes is not the only tribe that has had that kind of results in revolutionizing to have approach welfare issues. Bristol Bay Native Association [BBNA] in southwest Alaska took much the same approach. It put General Assistance in Public Law 102–477. At that time the BIA wasn't saying it had some questions about whether or not statutorily this should happen. BBNA opened up employment opportunities. It opened up training opportunities. It opened up educational opportunities to people on General Assistance who did not have them before. It put welfare people to work.

When welfare reform did come along and the Congress passed legislation, it was Public Law 102–477 tribes that were in the lead. Two of the first five tribes to submit plans to take over their own temporary assistance to needy families block grants were tribes with Public Law 102–477 experience. The councilmember from Sisseton said that his council has just said we want to go into this particular program, we want to take it over, and we're positioned because we've already integrated our employment services which have to be the lead in dealing with welfare reform.

HHS has been a great partner in Public Law 102–477. It has said that all of the components of welfare reform can be put into Public Law 102–477 plans—the JOBS program, which is the training program, Child Care, and now the Temporary Assistance to Needy Families block grant.

The one agency that all of a sudden turned around and walked in the other direction was the BIA. It said, well, we think this is about meeting essential needs. Meeting essential needs by passing out checks? Meeting essential needs means helping people to get work. Public Law 102–477 has done that. But BIA turned around and held up General Assistance funding and other funding for the Public Law 102–477 tribes for 6–7 months into fiscal year 1997. That was its approach to welfare reform. We complained; some of the money was released. But as you heard in the last panel, we have one of the BIA Area Offices, which apparently is not responsible to anybody, telling a tribe that it is going to lose its General Assistance program, or put that program in jeopardy if the tribe insisted on putting it into Public Law 102–477. BIA told this to one of the first tribes to submit a temporary assistance to needy families block grant application to HHS.

We've also heard different stories from the BIA panel about Johnson O'Malley. One of the lessons in employment and training over the years has been that you have to reach youth, you have to help young people understand what work is about, and you have to do that at an early age. Public Law 102–477 tribes tried to do that by integrating Johnson O'Malley into their programs. Now the BIA is talking from several points of view, if I can put it tactfully, about whether or not they think Johnson O'Malley should be in Public Law 102–477. Are we to keep the kind of enrichment, the kind of orientation to employment, to career opportunities, the role models for youth in employment away from Indian children because Johnson O'Malley was written many, many years ago in a different set of circumstances? Are we to keep all these programs in little boxes because that serves the little boxes in the BIA structure?

Public Law 102–477 tribes have said no. Public Law 102–477 tribes have said that tribal sovereignty means taking control of all our Federal resources, not just those in the BIA and the IHS. The legislation which this committee wrote 5 years ago has enabled tribes to reach out and bring within a self-governance umbrella, bring within a 638 umbrella, a broad variety of Federal services that were totally outside that context. We think the demonstration should be strengthened.

We appreciate the committee's calling the attention of the BIA to the fact that Public Law 102–477 is the law, and it should be respected by all employees of the Bureau. Thank you very much. I would be pleased to answer any questions the committee might have.

[Prepared statement of Mr. DeWeaver appears in appendix.]

The CHAIRMAN. Thank you. From all indications, it's a terrific program, and I concur with Senator Inouye. You know, ever since I've been around here I've heard the under-current that if an Indian program gets too successful, for some strange reason it tends to threaten the Bureau. You've probably heard that, too. You know, we make Indian people totally self-sufficient and we wouldn't need the bureaucracy, and all those things.

I am going to send, with Senator Inouye's concurrence, our complete transcript with many of these comments that have been made by the last panel and by you to the Bureau to get their response, and follow it up with questions to them and to our witnesses, too.

Would that meet with your approval, Senator Inouye?

Senator INOUYE. Yes, sir.

The CHAIRMAN. I think that's important, because it sounds to me like we need to go back in and make this a little clearer about what we expect of the lead agency in trying to implement a program that appears to be a terrific avenue to create some jobs in Indian county.

Senator Inouye, did you have some questions of this witness?

Senator INOUYE. Just one question, if I may.

First, I would like to thank the witness. Do you think that Department of Education programs should be included in the Public Law 102–477 authority?

Mr. DEWEAVER. Yes, Senator; I do. The issue there has been that Public Law 102–477 was written around formula-funded programs as distinct from competitive programs. In a competitive program the tribe says we're going to operate a program this way. They get the money because of what they say in that respect. So competitive programs work a little bit differently and are harder to integrate into a 477-context. Public Law 102–477 enables the consolidation of formula money, money the tribe would otherwise get anyway, where the amount is determined by formula and not by a competitive process.

Most of the programs that are directly employment-related in the Department of Education, particularly vocational education programs, are currently, unfortunately, very small programs. Therefore, they distribute their money on a competitive basis. That's why when the law was written it envisioned having Department of Education programs in the demonstration. But in point of fact, that did not happen because the Department of Education programs that were relevant were competitive rather than formula-funded. But, clearly, they need to be brought together—clearly, they need to be brought together.

As we look at the full spectrum, in Public Law 102–477 we can take care of the children of working parents through the Child Care program in HHS; if we can get things straight with the Bureau of Indian Affairs, Johnson O'Malley is there to help children realize what work is all about, what the career opportunities are, that they don't have to be a TWEP worker because their father and their grandfather was a TWEP worker; we have the various programs for the adults as well. Education is a motif throughout, from early childhood into the adult years. Clearly, education programs have a role in this. We believe the demonstration should be broadened. Your point is very well taken, Senator, we would certainly agree.

Senator INOUYE. Thank you very much.

Once again, Mr. Chairman, I wish to commend you for your leadership in scheduling this very important hearing.

The CHAIRMAN. Thank you. We'll probably be back in to revise the original statute.

Let me ask you just a couple of questions. The first one doesn't require much elaborating, but we did receive testimony that the Bureau had warned some folks at Potawatomi that if they included

JOM funds in the Public Law 102–477 plan that that could be lost. Have you heard that?

Mr. DEWEAVER. Yes, I have; I've seen some of the correspondence back and forth, and the notion was that the tribe might jeopardize its funding in future years. It's very clear from the statute itself, from a provision that was written into the statute from the beginning, that no tribe can lose money because of its participation in Public Law 102–477. As a prior witness pointed out, perhaps not all Bureau staff have read the law.

The CHAIRMAN. So, in fact, you think it's a violation of Public Law 102–477 statute?

Mr. DEWEAVER. It would appear to be very clear, Mr. Chairman. Public Law 102–477 says point blank that you can't lose money. But the tribe is told it better be careful because unless it does what BIA says, its money is going to be cut in future years.

The CHAIRMAN. I have one last question. Could you give us a projection about how many tribes may enter this program over the next 5 or 10 years if we get it right?

Mr. DEWEAVER. I think if we get it right we would see a great many tribes—maybe 50, the answer is really kind of speculative. This is not for every tribe. Remember, this is a demonstration and there's no special money in it. All the other special programs that are established have money as an incentive. This one doesn't. You come in it for love, not for money, because you're really committed to the basic idea.

But the problem has been really in the Bureau. I think of a small tribe in western Oklahoma, as a very specific example. The tribal employment and training director came to a 477 meeting. She was very interested because this one person has a whole number of programs to handle. She's got to keep all the paperwork separate. She came to the meeting and learned that if the tribe put its money in Public Law 102–477 it didn't have to keep all those separate records.

She was at a meeting where another tribe was about to close down because it had been 6 months into the fiscal year and the BIA hadn't figured out how to get that tribe any of its money under Public Law 102–477. The tribe in western Oklahoma walked away from the 477 program, said we're not going to touch it because the BIA is involved.

I think if we can get this message straight we'll see a lot of tribes coming into 477. It makes sense for small tribes where they have one person running a whole host of programs. It makes sense for larger tribes because they can deliver integrated services and achieve the kinds of efficiencies that the tribal chairmen have testified to in the prior panel.

The CHAIRMAN. Well, hopefully the money will be at the back end in terms of salaries for productive Indian people who have been trained in this program.

Mr. DEWEAVER. Yes, sir.

The CHAIRMAN. To you and to the other witnesses, we appreciate your testimony and thank you for appearing.

Mr. DEWEAVER. Thank you.

The CHAIRMAN. With that, the record will stay open for 2 weeks for any additional information. We will be following up with some written questions to the witnesses.

To all our witnesses, thank you for attending today.

[Questions and the answers thereto appear in appendix.]

The CHAIRMAN. This hearing is adjourned.

[Whereupon, at 12:23 p.m., the committee was adjourned, to reconvene at the call of the Chair.]

APPENDIX

ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

STATEMENT OF HON. DANIEL K. INOUYE, VICE CHAIRMAN, COMMITTEE ON INDIAN AFFAIRS

No discussion of Public Law 102-477 would be complete without recognizing the special efforts of one particular individual—an individual who introduced this legislation in 1992 and who championed its cause, an individual who left this institution a better place because of his presence—my good friend and colleague of many years, Senator Paul Simon.

Senator Simon, who was then Chairman of the Subcommittee on Employment and Productivity, believed that if tribal governments could combine employment and training funds that they receive from a variety of different departments and agencies, they would be better able to serve their members. What was a bold new concept 5 years ago became a precursor of things to come—program consolidation.

Tribal governments that receive funds from the Department of Labor, the Department of Health and Human Services, and the BIA, can now file a single plan and a single budget, rather than multiple documents with each agency. Tribes have thus been able to save on administrative costs with the benefit of such savings flowing to tribal programs.

Were Senator Simon still serving in this body, I know that he would want to be here. And I know too, that he would be proud of what tribes have been able to accomplish under this program. But we are also here today to learn what impediments exist, and what can be done to improve this program.

This hearing is a very timely one—for the lessons learned from this experience will also be of assistance to the Congress as we consider legislation to streamline and consolidate employment, training and adult literacy programs.

It is my understanding that the leadership of the Senate Labor Committee intends to introduce such a consolidation measure in early June. I would hope that, following this hearing, and after consultation with tribes and tribal organizations, this committee will submit a list of recommended tribal provisions to the Labor Committee for their consideration.

I thank you all for joining us today, particularly those who have come from great distances. We look forward to receiving your testimony.

STATEMENT OF SENATOR FRANK H. MURKOWSKI, INDIAN AFFAIRS COMMITTEE

Thank you, Mr. Chairman. I am pleased the committee is holding a hearing on the Indian Employment, Training and Related Services Demonstration Act of 1992. I was an original cosponsor of this law because I saw a need to reduce unnecessary, repetitive administrative costs in job development programs geared toward Native Americans and Alaska Natives.

Unfortunately, I have been chairing a hearing in the Energy Committee since 9:30 and cannot stay for long at this hearing.

I am glad to say that after only a few years, it is clear that this program is working. Both young and adult Native Americans and Alaska Natives involved in this program are learning valuable job skills. Tribes and Alaska Native groups that have chosen to participate in this demonstration have reported great savings in administering employment and training programs through consolidation of application and reporting requirements. These groups are also able to better tailor the available funds to meet the specific job needs in their respective areas. I believe that the testimony arising from this hearing will make it clear that the committee should continue to support this demonstration project.

I am pleased to recognize two fellow Alaskans who will testify about the details of their efforts: (1) Sharon Olsen, Director of Management Employment and Training, Tlingit and Haida Indian Tribes of Alaska, Juneau (speaking for the Honorable Edward Thomas, President of Tlingit and Haida); (2) The Honorable Leroy Bingham, Chief Executive Officer, Cook Inlet Tribal Council.

I know that because they will only have a few minutes to testify, Ms. Olsen and Mr. Bingham may not be able to orally address all the points they have made in their written testimony. I will also limit my comments by highlighting only three points. First, they have successfully carried out the demonstration. Mr. Bingham reports that job placements in Anchorage have almost tripled since 477 was passed, from 500 to 1,500. Second, "477" tribes are hampered by resistance from BIA to the program. Both Ms. Olsen and Mr. Bingham will testify that the BIA has tried to keep General Assistance dollars from being included in the project, and it appears that they are also trying to keep Johnson O'Malley dollars within the BIA budget, and away from the 477 project.

Mr. Chairman, I'm concerned about the BIA's foot-dragging, and I hope my colleagues on the committee will ask why the BIA opposes the implementation of this law, which creates greater efficiency and fosters self-determination. I believe the witnesses on all three panels could discuss this particular issue. Third, I hope the committee will explore the suggestions of Ms. Olsen and Mr. Bingham, regarding agency actions and technical corrections that would enable tribes and Alaska Native groups to more easily integrate the programs available under Public Law 102-477.

I congratulate the 18 participating tribes and Alaska Native organizations for taking the initiative both in terms of time and money, to work to make this demonstration successful.

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STATEMENT OF MS. ADA E. DEER, ASSISTANT SECRETARY - INDIAN AFFAIRS, DEPARTMENT OF THE INTERIOR, BEFORE THE SENATE COMMITTEE ON INDIAN AFFAIRS, FOR OVERSIGHT HEARING OF THE BUREAU OF INDIAN AFFAIRS' IMPLEMENTATION OF PUBLIC LAW 102-477, THE "INDIAN EMPLOYMENT, TRAINING AND RELATED SERVICES DEMONSTRATION ACT OF 1992."

May 13, 1997

Good morning Mr. Chairman and Members of the Committee. I am pleased to be here today to discuss the status of the implementation of Public Law 102-477, the "Indian Employment Training and Related Services Demonstration Act of 1992."

On September 15, 1993, I testified before this Committee on the implementation of this Act. At that time, I stated that we strongly believed in the goals of Public Law 102-477 and fully supported the demonstration project. Since then the Departments of Interior, Labor, Health and Human Services and the participating tribes, have all made significant progress and accomplishment toward improving employment and training programs in Indian communities.

A General Accounting Office (GAO) investigation in 1995 concluded that a major overhaul of employment and training programs was needed to create a more efficient customer-driven system. They counted more than 163 such federal programs scattered across 15 different federal agencies. The study found extensive overlap among these programs which confused and frustrated clients, employers and administrators of employment and training programs. Public Law 102-477 addresses many concerns addressed in the GAO investigation for employment and training programs targeted for Indians and Alaska Natives.

Tribal participation in Public Law 102-477 is entirely voluntary. Currently, there are 18 grantees participating who represent 177 federally-recognized tribes. Two other tribes, the Siletz Tribe of Oregon and the Shoshone and Arapahoe Tribe of the Wind River Reservation, have submitted plans to begin Public Law 102-477 programs on July 1 of this year.

The following Federal programs have been consolidated under Public Law 102-477:

Department of Labor
- Job Training Partnership Act, Section 401,Title IV-A
- Title II-B, Indian Summer Youth program,

Department of Health and Human Services
- Job Opportunities and Basic Skills Training (JOBS) program of Public Law 104-193
- Child Care Development Fund

Bureau of Indian Affairs
- Adult Vocational Training Program,
- Direct Employment
- Adult Education
- Higher Education

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- **Johnson O'Malley**
- **General Assistance**
- **Tribal Work Experience Programs.**

The Department of Health and Human Services recently announced that tribes may also include the Welfare Reform Temporary Assistance for Needy Families (TANF) program in their "477" program, beginning in July of this year.

Public Law 102-477 has been very successful. Tribes, consistently and without exception, report that they are benefitting from the program. Providing comparative statistics is difficult since the numbers now include child care services, Johnson O'Malley and summer youth programs, along with the traditional employment and training programs. We do know, however, that participating tribes report an 88 percent have successfully completed training requirements, that tribes are training and finding jobs for more AFDC clients, (among the most challenging clients to serve) and that tribes spend more time directly on education, training and job placement with less time doing repetitive administrative paperwork. Since 1994, when the first tribes began implementing programs under this Act, tribes have been able to develop comprehensive welfare reform initiatives with these resources. For example, the Tlingit and Haida Indian Tribe of Alaska stated, ". . . we don't give free money away anymore." All clients that come in for cash assistance are required to develop an employability plan and meet periodic and specific goals to receive cash assistance.

Tribes participating in Public Law 102-477 report major reductions in administrative burdens and major increases in job placements. The following are a few of these accomplishments:

1. Federal reporting requirements have been reduced by 95 percent. Instead of 166-pages a year on a quarterly, semiannual or annual basis for each of the separate programs that may be combined in a consolidated "477", tribes now submit seven-pages of forms only once a year.

2. Tribes now maintain a single financial account instead of ten different program budgets; and one set of client files, instead of many.

3. Reduced administrative burdens on tribes result in increased attention on clients. The Cook Inlet Tribal Council, for example, more than doubled their job placement rate during their first two years with "477."

4. The initiative is lead by tribes. The tribes have formed a Tribal Work Group, funded by the BIA. Tribes participate in all phases of program development and improvements and actually provide all of the training and technical assistance for other tribes interested in the process.

5. This initiative has expanded the concept of self-governance to other Federal agencies. Tribes participating in self-governance now add funds from the Department of Labor and Health

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and Human Services to their compacts.

Interagency coordination is required under Public Law 102-477. The Act required an Inter-Departmental Memorandum of Understanding that would ensure a joint commitment to the program. The federal representatives of the three participating departments, mentioned earlier, and a tribal representative, meet quarterly to discuss new issues and work to improve the program. The Tribal Work Group's report to the Congress in June 1995 characterized this coordination as, "a level of agency-to-agency interaction without precedent in the more than 20-years the Federal Government has supported tribal employment and training services."

Public Law 102-477 also requires that the Bureau of Indian Affairs conduct two additional tasks:

> First, Section 17(b) of the Act requires that the BIA prepare a report on the need for comprehensive, accurate and periodically updated information on the size and characteristics of the Indian and Alaska Native population through the entire United States. We do not have the expertise in-house to develop such a report. Therefore, the BIA is currently in the process of contracting for the work. We have completed all the work necessary to advertise for this work and expect an announcement will be published in the Commerce Business Daily this week.
>
> Second, Section 17(a) of the Act provides that the Department publish a labor market report biennially. The most recent report was published this month, and a copy of that report will soon be available.

While we have made major progress in the implementation of Public Law 102-477, success has not always been easy. It has required reinventing the way we do business, changing mind sets and revising policy. For example, the BIA attempts, whenever possible, to delegate authorities and responsibilities to BIA area and agency organizational levels. In its infancy, not all BIA area offices had tribes participating in the program. Therefore, when a new tribe submitted a Public Law 102-477 plan to a BIA area office that had no prior experience with the program, delays were encountered in fund transfers while area office staff familiarized themselves with this innovative program. While Area know-how was being developed, the BIA centralized contracting/grant authority and disbursement of funding to facilitate funding transfers.

Despite severe budget cuts in Central Office funding in FY 1996, the BIA has remained committed to implementing Public Law 102-477. The Department of the Interior is strongly committed to this innovative program and will continue to support the implementation of Public Law 102-477.

This concludes my prepared statement. I will be happy to answer any questions the Committee may have.

United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, D.C. 20240

SEP 12 1997

Honorable Ben Nighthorse Campbell
Chairman, Committee on Indian Affairs
United States Senate
Washington, D.C. 20510-6450

Dear Mr. Chairman:

It is my pleasure to provide you with the Bureau of Indian Affairs responses to the Committee's supplemental questions provided within your letter of May 22, 1997, following the Oversight Hearing on Public Law 102-477, the Indian Employment, Training and Related Services Demonstration Act of 1992, held on May 13.

We support your efforts in maintaining this vital program and look forward to a continued dialogue on the "477" program.

Sincerely,

Ada E. Deer

Ada E. Deer
Assistant Secretary-Indian Affairs

cc: Honorable Daniel K. Inouye
Members of the Committee

QUESTION 1. What is the current FTE level within the BIA devoted to carrying out the obligations of Pub. L. 102-477?

ANSWER: The Bureau of Indian Affairs (BIA) has two full-time staff members who work primarily on Pub. L. 102-477 to conduct required activities. Prior to our reduction in force, two people worked full-time and three people worked part-time on this initiative.

QUESTION 2. What are you doing personally to see that the BIA field offices carry out the mandates of 477?

ANSWER: The BIA Area and Agency offices have limited responsibilities for Pub. L. 102-477 activities. There is only one remaining part-time employment and training staff person at the Juneau Area Office - the remaining Area Office staff positions have been contracted by the tribes. Area office budget officers do participate by identifying approved 477 program funds which can be allocated to tribes in their 477 grants. At the request of the 477 Tribal Work Group, all other responsibilities for carrying out the mandates of Pub. L. 102-477 are implemented at Central Office.

QUESTION 3. What is the average time required by the BIA to approve or disapprove a tribal "477" plan once submitted by a tribe?

ANSWER: All participating Federal programs complete the necessary approvals of all tribal plans within the 90 day time frame, as required by Section 8 of Pub. L. 102-477 and the authority under which these plans are approved (Pub. L. 93-638).

QUESTION 4. Your written testimony states that current law permits Johnson O'Malley program funds into "477" plans. Mr. Bill Mehojah, Director of the Office of Indian Education Programs testified before the Committee that Johnson O'Malley funds are ineligible for inclusion into tribal "477" plans because of "statutory reasons". What are the "statutory reasons" that prohibit the inclusion of JOM funds into "477"?

ANSWER: Pub. L. 102-477 (25 U.S.C. §§ 3401-3417) enables tribes to integrate certain Federal programs to simultaneously improve overall program effectiveness and reduce unemployment in tribal communities. Section 3404 provides that the programs available for integration into a "477" plan are those programs where funds are distributed on a formula basis "for the purposes of job training, tribal work experience, employment opportunities, or skill development, or any program designed for the enhancement of job opportunities or employment training." As noted in Section 3405, the plan identifies potential employment opportunities in or near the tribal community and the services to be provided under the plan "to assist Indian workers to access those employment opportunities." The "477" plan is a comprehensive job creation, placement and training plan that integrates certain Federal job placement and training programs, and permits a pooling of program funds to carry out its objectives.

The Johnson O'Malley Act (25 U.S.C. §§ 452-457) (JOM) authorizes a program for supplementary educational services for Indian children enrolled in public schools from ages three through eighteen. Section 455 requires that, in advance of an award of a JOM contract, a prospective contractor submits for Secretarial approval an "educational plan" which contains educational objectives that adequately address the educational needs of the beneficiary Indian students. Under section 456, the JOM parent committee not only fully participates in the development of the programs that a JOM contractor will utilize in its educational plan, but also the JOM parent committee has the authority to approve and disapprove those programs. The JOM program assists students by providing the tools to achieve basic state education requirements in their pursuit of elementary and high school diplomas; it is not a post-high school job placement and training program for adults. Moreover, JOM program funds must be expended in accordance with the statute.

Not only is the JOM program beyond the scope of Federal job placement and training programs under section 3404 and inappropriate for integration under a "477" plan, but also the statutory structure required under the JOM Act is not amenable to integration.

QUESTION 5. Your written testimony states that current law permits General Assistance (GA) program funds into "477" plans. The Committee received testimony that tribes and other "477" organizations are meeting severe resistance by the Department in integrating GA funds into their tribal plans. What are the reasons, statutory or otherwise, that are preventing otherwise eligible "477" tribes from integrating GA funds into their "477" plans?

ANSWER: Pub. L.102-477, was designed to allow tribes to efficiently address unemployment and training problems by combining or commingling job training funds from a number of different federal sources into one grant administered by the BIA.

General Assistance (GA) funds are permitted to be included in Pub. L. 102-477 grants. GA funds must be allocated to tribes based on identified need. Those GA programs approved under "477" plans must be allocated funds in the same manner.

Because of the funding reductions experienced in FY 1996, the GA program was reduced by about $13 million (13 percent). This reduction, coupled with the impacts of welfare reform, have forced the BIA to prohibit the start of any new programs during fiscal years 1996 and 1997. For example, if a tribe was not running a Tribal Work Experience Program (TWEP) in FY 1995, they will not, by BIA policy, be permitted to begin a new program now. This policy is in place to enable the BIA and tribes to meet the needs of the most needy welfare recipients, children and families, if available appropriations prove insufficient.

QUESTION 6. Under Pub. L. 102-477, the Interior Department is required to file with this Committee a preliminary status report no later than 2 years after enactment; a final status report no later than 5 years after enactment; labor market reports biennially; and an Indian demographic report no later than 12 months after enactment.

a. What are the reasons the Department has not complied with the law in this regard?

b. When will these reports be submitted?

ANSWER: The 477 Tribal Work Group has worked collaboratively with program staff to prepare the two year report. Since the draft report required massive revisions to meet Departmental standards, the report was delayed. The report was finalized and forwarded under separate cover on June 9, 1997, following the oversight hearing in May. The 1993 and 1995 Indian Service Population and Labor Force Estimates have been published biennially as required. We anticipate publishing the 1997 Indian Service Population and Labor Force Estimates, in conformance with Pub. L. 102-477, in early 1998. Since the BIA does not have the technical expertise to prepare the Indian demographic report as required, we are currently soliciting bids for a qualified contractor to complete this report. We anticipate submission of this report in fiscal year 1998.

QUESTION 7. What are your recommendations for improving Pub. L. 102-477, particularly with regard to the need for job creation and business development activities?

ANSWER: Job placement, training and related services are essential to preparing and placing individuals in jobs. However, many tribal communities lack jobs in which to place employable Indians. To fully complement this initiative, Pub. L. 102-477 should be amended to identify and mandate inclusion of those Federal programs which finance or support business activities in Indian communities, which Tribes could at their option choose to include in their Pub. L. 102-477 plans. We recommend that the Senate Committee on Indian Affairs identify and examine in consultation with the respective program administrators those programs which can be identified for statutory amendments to Pub. L. 102-477.

TESTIMONY

RUSSELL D. MASON, CHAIRMAN
THREE AFFILIATED TRIBES
FORT BERTHOLD RESERVATION OF NORTH DAKOTA

Oversight Hearings
Before the Senate Committee on Indian Affairs
IMPLEMENTATION OF P.L. 102-477
"Indian Employment, Training and Related Services Demonstration Act of 1992")

Thank you, Chairman Campbell and distinguished members of the Committee.

I am Russell D. Mason, Sr., Chairman of the Affiliated Tribes of the Mandan, Hidatsa and Arikara people of the Fort Berthold Reservation of North Dakota.

On behalf of the Three Affiliated Tribes, I appreciate the time given for testimony regarding implementation of P.L. 102-477.

The Three Affiliated Tribes has an enrolled tribal membership of 10,500. Since 1995, there has been an increasing number of tribal members and their families returning to the Reservation. In 1990, our resident enrolled-member population was 3,105. Today, that number has nearly doubled. This trend has had a tremendous impact on an already depressed economic environment.

The unemployment rate, according to Interior Department's Labor Force statistics, on the Fort Berthold Reservation is 47 percent. The principal employers are the Three Affiliated Tribes, Indian Health Service, the Bureau of Indian Affairs, and Public School Districts. With the exception of small satellite offices and Public Schools, all are headquartered in New Town, the hub of the Fort Berthold Reservation.

Our Reservation stretches across 1,500 square miles, six counties and is divided by a lake created by the construction of Garrison Dam. Garrison Dam construction divided the Reservation into six Segments. The outlying segments range in distances of 34 miles to 240 miles from the Reservation's hub of activity. Our tribal members live in isolated and remote areas within those Segments and Communities.

In the East Segment/White Shield Community (which is 60 miles from the Tribes' Headquarters), we entered into an Agreement with the Turtle Mountain Band of Chippewas for a data entry operation that employs 43. That number will be doubling with a second shift operation. In the West Segment/ Mandaree

Community, the Tribe has an electronics firm that has created employment and training at the community level. The "Indian Employment, Training and Related Services Demonstration Act of 1992" has been the Tribes' catalyst in the creation of jobs and job training in these two outlying Communities.

As one of the original "477 Tribes", the Three Affiliated implemented P.L. 102-477 from the onset of the enactment. The Demonstration Services Act has worked for us. With employment and training so drastically needed, we integrated the Department of Labor's JTPA and Summer Youth Program; the Department of Health and Human Services' Job Opportunity, Basic Skills and Child Care Development; and the Bureau of Indian Affairs' Adult Vocational and Tribal Work Experience Program.

Because of the integration of the training programs with temporary job placement, we have seen a 40-50 percent increase in the number of persons enrolled in the Tribal Work Experience Program who are able to find permanent employment. We have been able to do several things to improve employment opportunities for our tribal members. First, the integration of the programs has reduced red-tape, allowing us to spend more time and money on training and job placement. Second, we have been better able to tailor training needs and job placement. Third, we have been able to provide more diversified services to those seeking job training and job opportunities.

Unfortunately, we have not seen the cooperation of the Bureau of Indian Affairs in the application of P.L. 102-477 to our contracted Adult Vocational and TWEP Programs. Resistance in releasing funds for the Programs was a major concern this past year.

One way the Act might be improved to encourage BIA cooperation is the following: Insert, as a separate requirement of the plan to be submitted by the Tribe, the time need for the plan to become fully operational. Insert, a separate section called "Plan Implementation" that requires the Secretary of the Interior to cooperate fully with the Tribe to allow the plan to become fully operational within the time period specified in the Tribe's Plan.

With the advent of welfare reform, there is an even greater need to integrate various components of welfare assistance with job training and job creation programs so that people are employed in meaningful and permanent jobs. This includes giving tribes the flexibility to use programs such as general assistance and child care as part of an overall package of temporary assistance, job training and, finally, permanent job placement.

Suggested improvements to the Act include allowing the Tribe to combine funds from welfare assistance programs with programs designed for the enhancement of job opportunities and employment training.

The continuation of P.L. 102-477 is vital to the success of Welfare Reform. As Indian Tribal Governments, we need all of the tools and all the flexibility we can get to be able to further develop our tribal economics and to be able to place well-trained members in good jobs.

P.L. 102-477 with the improvements suggested, is a low-cost way to give Tribes additional flexibility to meet the demands and needs of our members, as well as the demands of the Federal Government for welfare reform.

Thank you, Chairman Campbell and Committee Members, for the time you've taken to hear our testimony. If there are any questions, I will be more than happy to answer them. If there are questions you may later have, please feel free to contact me in New Town, North Dakota. My telephone number is 701-627-4781. Tribal staff members, who may also provide information, are Mr. Ed Lone Fight, Tribal Programs Manager, at 701-627-3023, and Mr. Leo Cummings, 477 Demonstration Project Director, at 701-627-4752.

Seminole Tribe
of Florida

STATEMENT
of
JAMES E. BILLIE, CHAIRMAN
THE SEMINOLE TRIBE OF FLORIDA
before the
SENATE COMMITTEE ON INDIAN AFFAIRS
regarding
IMPLEMENTATION OF P.L. 102-477,
THE INDIAN EMPLOYMENT, TRAINING and RELATED SERVICES ACT OF 1992
on
May 13, 1997

Good morning Mr. Chairman and Members of the Committee. My name is James E. Billie; I am Chairman of The Seminole Tribe of Florida. It is a pleasure to be here this morning to testify about The Seminole Tribe's experiences with regard to P.L. 102-477, the Indian Employment, Training and Related Services Demonstration Act of 1992. Accompanying me today is Maureen Vass, who directs the Tribe's Employment and Training Program.

The Seminole Tribe's Employment & Training Program has participated in the P.L. 102-477 Demonstration Program for more than three years. We were one of the original eight tribes to participate, and have served on the Tribal Work Group on P.L. 102-477 since its inception. I would like to take this opportunity to thank this Committee and the Congress for enacting this innovative and progressive law that allows Tribes to combine employment, training and related services programs into one comprehensive and integrated service for tribal members.

The Seminole Tribe of Florida's Demonstration Program project incorporates three federal programs: J.T.P.A. (Job Training Partnership Act), AVT (Adult Vocational Training) and DE (Direct Employment). Since these three programs already were being managed under one department, the blending of resources from each of them seemed particularly obvious and manageable for the demonstration project. Under P.L. 102-477, we have the option to add other programs as we determine a need for doing so. The flexibility to incorporate what we determine best meets our needs is a large part of what makes P.L 102-477 so innovative -- and so effective. The Tribe, not the federal government, makes the decisions.

The Seminole Tribe of Florida has approximately 2,500 tribal members living on five reservations located throughout central and southern Florida. The challenges of providing training and employment services to tribal members, particularly those located on our largest and most remote reservation of Big Cypress, can be daunting under the best of circumstances.

The Demonstration Program has made a significant and positive impact on The Seminole Tribe's ability to provide the education, training and job-search services necessary to move tribal members off of public assistance and into gainful employment. It has reduced paperwork and eliminated conflicting program requirements, thus allowing our limited staff to focus their energies on tailoring our assistance to best meet an individual's needs. Prior to joining the Demonstration Program, what we offered a participant was too often based on what program they qualified for, rather than what services they really needed to succeed.

The most visible and immediate change we saw as a result of joining the Demonstration Program was the reduction in paperwork. The number of applications we were required to submit was cut in half and our reporting requirements were consolidated into a single annual report. This has given us the opportunity to spend more time with our participants in order to assure that we are meeting their needs. For the first time, we have the time to refer our participants or clients to the proper places for outside assistance, be it financial or emotional. We can focus our energies on determining which strategic pieces are needed to help each individual accomplish his or her goals. The results are compelling: our completion rate has jumped from 47.3. percent to 76.3 percent -- an improvement of better than 60 percent -- in just three years.

After-School Program

Tribal members living on the Big Cypress Reservation, located 43 miles from the nearest town in the heart of the Florida Everglades, face particularly difficult challenges of remoteness and lack of close-by employment opportunities. The drop-out rate for high school students on Big Cypress has been 66 percent -- well above the national average. This is in large part attributable to the 85 miles round trip that students must travel each day in getting to and from the nearest public school. In order to address this problem, The Seminole Tribe in 1996 added a high-school curriculum to The Ahfachkee School located on the Big Cypress Reservation. Ahfachkee began serving students in Kindergarten through Sixth Grade since the 1960's. It was expanded to include Seventh and Eighth Grade in the early 1990s, and has been accredited by the Southern Association of Colleges and Schools since 1994.

With the establishment of the Ahfachkee High School and its after-school program, students have the opportunity to attend school without leaving the reservation and to get a work-experience position to assist them with everyday living expenses. Our after-school program has strict rules concerning performance in school. At the same time, students have the opportunity -- and the time -- to attend work fairs and career days and take field trips to vocational schools and colleges in order to make informed decisions about career choices once they graduate. Before the Demonstration Program and the Ahfachkee High School, such activities were rare, due to lack of time and economic constraints. Now that we have the time and the money to better serve these young people, they are a regular occurrence.

Adult Education

The Demonstration Program also has given us the ability to better meet the needs of our adult participants. With the cooperation of the Social Services Department and our Memorandum of Agreement, we make sure there are no barriers to school or employment -- or far fewer barriers than before.

Substance abuse has been a real problem on the reservation -- one that breeds failure and hopelessness. With the added resources the Demonstration Program has provided, we now are able to work with a substance abuser and his or her whole family in order to give that person the best possible chance to successfully overcome addiction and get on with a productive life. There is no way to put a dollar value on the benefits of this service to abusers, their families and the community as a whole.

The Demonstration Program has allowed us to do this, not by adding staff or increasing administrative costs, but by cutting through layers of bureaucracy and allowing our staff to get up from behind their desks and show the participants that they are with them every step of the way. If our services are interrupted due to a birth or illness, our staff will be there at the proper time to encourage the client to return to work or school. Before the Demonstration Program, there was little time to track and follow-up with these individuals. As a result, many concluded that nobody cared and return to destructive and abusive behavior.

In fact, we always cared, but lacked the resources to communicate that effectively. Many of our clients do not have telephones in their homes. Personal visits are difficult and time-consuming when staff must travel among four reservations that are as far as two hours away from the main office. Thanks to the Demonstration Program, our staff now has instituted twice-a-week visits to each reservation, and is able through personal contact to accomplish much more than could be done in a phone call.

The Demonstration Program has allowed us to do more with less. For example, The Seminole Tribe's Education Program is growing rapidly, yet those who administer the program remain constant. Cuts in federal assistance for these programs had required that the same number of staff accomplish more administrative tasks. The Demonstration Program has allowed staff to take on additional administrative responsibilities, while at the same time getting more involved with students of all ages. Now, when they come to us for assistance we know who they are. They are comfortable with us, and we are able to provide a higher level of service.

The Demonstration Program allowed our Employment & Training Program to assist with funding for a summer school program on the Brighton Reservation. We paid three full-time youth tutors to assist four volunteers from a local parish to run the program. Children participating in the program ranged from six to eleven years old. Attendance was not compulsory, but children were encouraged to continue the learning process through the summer. The youth tutors were paid for five weeks of work, and gained experience in work habits and tutoring skills.

The Demonstration Program established by P.L. 102-477 has truly worked for The Seminole Tribe of Florida. We have been able to hold down administrative costs while serving tribal members with more success. Unlike many other employment and training programs we have seen over the years, the Demonstration Program has truly been responsive to this Tribe's needs. It has worked so far, and we are confident it will continue to work in the future.

Recommendations

The Demonstration Program has yielded significant successes, but there have been hardships, as well. Our Employment & Training Director and Assistant have had to fight, along with other Demonstration Program grantees, for waivers and for support from the lead federal agency, the Bureau of Indian Affairs. They have had to fight even harder to receive funding in a timely manner.

The Tribal Work Group on Public Law 102-477 has, through a lot of hard work and perseverance, initiated recommendations to drastically improve the process for tribes to receive funding on time. However, this was accomplished through the initiative of the Tribal Work Group with little support from BIA. We understand that the federal government -- and BIA in particular -- also has been faced with the considerable challenge of doing more with less. But from the perspective of those of us on the outside looking in, it appears that there is little or no staff available to assist tribes in taking advantage of the wonderful opportunity the Demonstration Program provides.

We believe that the following steps would go a long way toward improving communications between the Bureau and the tribes, which in turn will allow the program to function with even greater efficiency in the future:

- Initiate twice-yearly meetings among the Secretary of the Interior, the Assistant Secretary for Indian Affairs, representatives of other participating federal agencies and participating Indian tribes in order to review the progress of the demonstration and resolve any pending issues;

- Clarify that the General Assistance and Johnson-O'Malley programs are eligible for inclusion in tribal Demonstration Program plans;

- Make support for the Demonstration Program a priority for BIA Central Office and field staff in order to assure that adequate staff resources are available to support and assure the success of existing and new grantees;

- Provide federal financial support for the technical assistance efforts of the Tribal Work Group on P.L. 102-477;

- Permit participating federal agencies to grant waivers of statutory provisions in the programs which tribes can integrate under the Demonstration Program, consistent with the intent of P.L. 102-477.

Conclusion

Despite the concerns raised above, The Seminole Tribe and other grantees under this program have had great success. The Demonstration Program established by Public Law 102-477 truly is a program in which the tribe sets its own priorities for making the best use of Employment & Training funds. While this program may not be suited to every federally recognized tribe, it is working exceptionally well for those who have chosen to participate in this new and innovative process.

We appreciate the opportunity to present our views concerning the Demonstration Program to the Committee, and would be happy to provide additional information upon request.

1. As one of the original "477" grantees can you describe the difference in paperwork and administrative burdens as a result of P.L. 102-477?

As was stated in Ms. Vass's testimony, the 477 program is truly one-stop shopping. An individual can come in, see one person, fill out one application and get his needs met without having to go to different offices or people. There is now only one form for the program and only one financial form. And, the really interesting part of the program form is that the grantee writes a narrative about their program which gives the people in the bureau the opportunity to read what is really going on... not just numbers. Another wonderful aspect is that now anyone working under this program only fills out one time sheet. Prior to 477, the Director and her secretary had to fill out two time sheets so that the audit would show how much time they spent with each program. This is especially difficult for larger programs that incorporate more than the two that Seminole has. To not have to do this any longer has been helpful to us and to the auditors.

More importantly Ms. Vass can now get from behind her desk and devote more time to her participants. It was difficult, at best, to cover all the reservations and keep up with all the paperwork of two programs. With the overall administrative burden being relieved the way it has been with 477, she has been able to go to the reservations and the schools with much more regularity.

2. The Tribe's after-school program appears to be successful in providing on-reservation educational opportunities and work experience. Are job placements made off-reservation or on-reservation?

Due to time and travel constraints, most after-school work experience positions are on-reservation. However, if a participant wishes to work off the reservation and they have the opportunity, we do the necessary placement with a non-profit agency. As the statutory law requires we cannot place anyone with a for-profit agency, this does limit us with our placements.

3. Is there an element of your 477 program that allows tribal members to use the skills they develop to start small businesses?

We can assist any individual to start a small business. We do this by first giving them the skills they would need by sending them to school for whatever trade they wish to go into. We have small workshops with SbA or the local Chamber of commerce to assist them with the nuts and bolts of starting a business. Whenever a participant comes in and shows an interest in starting a business we aid them in any way we can. However, we do this on a one-to-one basis so it will fit the needs of the client.

4. You recommend changes in the law to allow waivers of statutory provisions so that tribes can integrate other programs into 477 plans. Do you have any specific programs in mind? Does your tribe plan on integrating the TANF program?

We recommend that 477 authorize the Secretaries of the respective departments to waive provisions for the legislation they administer, if in their opinion, those provisions hinder grantee success. Numerous proposed bills presently before Congress permit departments to waive legislation under similar circumstances.

The 1992 amendments to J.T.P.A. specifically forbid the use of any J.T.P.A. monies for economic development activities. Employment and training services do not make sense in reservation areas without directly contributing to the creation of additional job opportunities through economic development. This prohibition is also contrary to section 9 of P.L. 102-477 that encourages employment and training to tribal economic development.

There are numerous other contradictory statutory provisions within the 477 program which confuse and hinder further advancement of the program. Some of these included differing eligibility criteria for participation, performance standards and conflicting administrative provisions such as participant grievance procedures and programs. This amendment would allow the three affected departments the ability to reconcile statutory differences to combine programs into a single activity at the tribal level.

P.L. 102-477 makes no attempt to reconcile statutory differences among the programs although it enables tribes to combine these programs into a single activity. When 477 was originally introduced as S.B. 1530, the Secretaries were given the authorization to waive provisions of statutes. This provision was stricken from the final version of the bill. We would like to see this put back for the sake of all concerned.

The Tribe does not intend to incorporate the TANF program.

5. What other federal programs would you like to include in the 477 program?

Although there have been times that B.I.A. has permitted General Assistance and Johnson O'Malley, there have been other times that they have not permitted it. We would like to see that they be permitted without question.

6. Do you receive any feedback or comments on the reports that you file with the BIA each year?

No, we do not.

7. In your experience, what changes would you like to see in terms of interagency cooperation at the federal level?

We need to have people at our meetings who can make the changes that we are requesting. Although the two people who are working on 477 withing the bureau are hard working and willing to do more than their share, they have no authority. The other agencies work harder at assisting us than the lead agency and they are always finding answers to our questions if they, themselves cannot answer them.

8. What changes would you recommend to P.L. 102-477?

1. Give the Secretaries the authority to waive statutory provisions
2. Put P.L. 102-477 under the Office of Self-Governance and MOVE the two people who have been working on 477 over to self governance
3. Make sure that any meetings we have are attended by the people who can make a difference
4. Make sure that we continue to receive some T.A. money to promote this program

Cook Inlet Tribal Council & 477 Tribal Work Group
Testimony for 477 Hearing

Introduction

Good morning and *thank you* to Chairman Campbell and the members of the Committee.

My name is Leroy Bingham. I am an enrolled member of the Blackfeet Indian Tribe of Montana. For the last two years I have been the Executive Director of the *Cook Inlet Tribal Council in Anchorage, Alaska* – having spent the previous 10 years with the same organization as Executive Tribal Planner. I am also wearing another hat today, and that is the hat of Co-chairman of the *477 Tribal Work Group*. Prior to working in Alaska, I spent 10 years working in Montana with Indian Employment & Training programs, including being one of the drafters of the current Indian JTPA regulations.

I've been in this business so long that I knew Norm DeWeaver before he amassed his impressive bolo tie collection and he knew me when I had more hair on top of my head than under my chin.

How we got started

Five years ago, a number of us grizzled veterans of the Indian Employment & Training wars came together around a concept that was inspired by the then-recent experiment in Tribal Self-Governance. We *all* had been spending tremendous amounts of our time, energy and resources in attempting to manage programs from different federal agencies that were essentially targeting the same client – our tribal members.

Each of these federal programs provided one or more essential tools for the development of our people and our communities. Most of our clients needed the benefit of literally all of these tools at different times in their development. But it was as if each of our tools came with instructions written in a different language. Some were metric, most were not. The one *absolute* was that each of our clients had to fill out a lengthy application for even *consideration* to use each and every tool that was required to do the job at hand.

All of us had watched our budgets shrink dramatically during the 1980's and we were almost desperately seeking a way to make our programs work smarter and more efficiently. We knew *then* that the answer was not necessarily more money. What we wanted and needed was relief from redundant oversight and bureaucracy. *We needed the instructions for all of our tools to be printed in one language. We needed permission to keep all of our tools in one box, if we so desired. We needed room to find a more efficient model.* With the help of this Committee we were able to pass P.L.102-477 in October of 1992.

The tribes and tribal organizations involved in implementing "477" have all learned a tremendous amount and have *grown* because of our involvement in the demonstration. We are proud to share our successes and the lessons we've learned and we have some ideas on how you can help us continue to "grow" this demonstration, not just in Indian Country, but throughout the nation.

What has gone "Right"

First and foremost, what has gone "right" with 477 has been tribal involvement and leadership. The idea of 477 came directly from the tribes. The facts that the demonstration was strictly voluntary and did not involve extra or new money were both critical to our success. The tribes that got involved did so, not as a scheme to secure new funding, but because they truly wanted to re-design and consolidate these critical human service functions for the benefit of the members of their communities.

The individual successes that all of the 477 tribes have experienced are exceptional in my 20+ years of experience in Indian employment & training.

In Anchorage, since 477 we have almost *tripled* our number of job placements. In the first year of the demonstration alone we *doubled* our number of job placements. We calculate that we have reduced our paperwork burden by 96%!

With the flexibility that 477 allows us, we are actually spending $250,000 a year *less* on job placement than we did before we started 477. We are using the savings to increase services to our primary target population – our young people.

We have been innovative in the design of our program in Anchorage -- in ways that we would have never even *thought of* before 477. Our approach to serving our youth is a very good example. Prior to 477 we had a number of activities that targeted youth: summer and in-school employment programs, education programs, cultural programs, latch-key kid programs, before- & after-school care programs, teen-aged parent programs, etc. These services were spread across three separate departments of CITC. Some of these youth-oriented missions were actually lost in larger programs. For example, latch-key kid and before- and after-school activities were part of a much larger program (CCDBG) providing child care subsidies for eligible families; the youth employment activities were part of a much larger, adult-oriented, job placement and training department.

Because all of these federal programs "lose their identity" when integrated into a 477 plan we found that we were *empowered* by 477 to come up with a design that was smarter and would be of more value to our young people. We have taken all of the bits and pieces of youth-oriented programming from programs consolidated under 477 and have built a full-service, absolutely youth-oriented department that really brings all of these parts together into an effective one-stop effort. Our determined goal is to support our students and parents in order to raise the test scores of our students, to lower the horrific drop-out rate, and to help these young people get ready for the real world by helping them prepare for the workplace. . . by bringing all of our tools to bear.

Each of the 477 tribes came into this demonstration with different agendas. In Cook Inlet, it was our young people; in Fort Berthold it was a determination to do something positive with General Assistance; for the Central Council of Tlingit & Haida Indians in Juneau it was a desire to do more to support our large Native veteran community. One of the most "right" things about 477 has been the flexibility allowed to each community to design local solutions that meet local problems.

This sounds like a simple thing, but over the years I have watched while the "belt-way" invented one magic bullet after another that we were required to use to load our guns. If you needed a .22, but the *bullet du jour* was a 12 gauge shotgun shell. . . or vice versa. . . you were in serious trouble.

One of the other things that has gone very "right" with 477 has been the use of tribal peers to provide technical assistance to interested or involved tribes. Cook Inlet Tribal Council has been very proud to be one of the providers of this technical assistance, along with the Three Affiliated Tribes in Fort Berthold. We have endeavored, and I believe succeeded, in providing *real*, *tangible*, and *usable* technical assistance to the tribal community. Our purpose is to help all 477 tribes succeed, not to create a long-term dependence on the classic, "federal consultant".

The Office of Economic Development of the BIA has been instrumental in making funding available for this activity and they should be commended for their efforts.

Five years ago there was talk of Welfare Reform. But there was also a lot of talk about National Health Care Reform and we know where that is now. Today, with real Welfare Reform upon us, I am so thankful that CITC went down the 477 path in 1992. We are ready for welfare reform. My staff have learned to think outside of the traditional "program boxes". They understand and are enthusiastic about the cultural change that 477 has brought to us as tribal care givers. For Cook Inlet, the best thing that has gone "right" is that we, as an agency, are now much better prepared to take on the awesome task of helping our families make the true transition from welfare to work.

There is a growing realization in Indian Country, that I am hearing more and more, that 477 is almost an absolute necessity, given the enormous task of undertaking welfare reform in hard core, dependent communities, often with little or no economic base.

What has gone "Wrong"

I am very happy to say to you that we have been able to fix most of the problems that we've encountered along the way these last 4½ years. Not a lot has gone "wrong".

The first serious problem that we encountered was one that we were not particularly expecting. The law was passed in October of 1992, in the closing days of the Bush administration, and we got caught in the whirlwind of a new administration that took time to settle in. For literally all of 1993 the Tribal Work Group fussed and fumed and tried to get the effort started. There were slow leadership changes at the BIA that contributed to the delay. We were just another voice among hundreds (if not thousands) that demanded time and attention from the incoming Assistant Secretary when she did arrive in office.

It finally took the threat of hearings by this Committee to get the inter-Departmental agreements signed before we could even *begin* to *plan* actual integration, and accomplishing just that one task took five months longer than the 90 days called for in the law.

I personally came to Washington so often in 1993 (a 13 hour flight from Anchorage) that I became a Medallion Flier on Delta airlines. The first 477 tribal plans were submitted in the Spring of 1993. We expected action within 90 days. There were delays. We were promised action in another 90 days. We were patient. At the end of that time we were told that there would probably be another 180 day delay.

We revolted.

After very contentious meetings in December of 1993 we finally got the original 6 tribal 477 plans approved for implementation in January of 1994.

At this point, we ran into a number of administrative details and tasks that created troublesome glitches and slowdowns. Of the three federal partners in the demonstration, the Bureau of Indian Affairs has the oldest and creakiest accounting system. Computerized electronic draw down systems, long familiar with the Labor Department and Health & Human Services, are an unheard-of voodoo at the BIA. Many 477 tribes encountered terrible cash flow problems before they could get in sync with the new draw down rhythm (*weeks* instead of *hours*).

There have been a number of on-going bureaucratic issues, generally ones that we can easily fix when we work together and communicate.

From the perspective of the Tribal Work Group the single *glaring* "wrong" has undoubtedly been lack of attention that this demonstration has received from the leadership of the Bureau. I am of mixed feelings though, because only a fool expects a ***mule*** to act like anything other than a ***mule***.

One of the things that makes me so grateful to Senator Campbell today is the fact that he has taken the initiative to hold these hearings and find out about what we are attempting to do with 477. If this Committee would have conducted even semi-occasional hearings and taken an interest in 477 these last 4½ years, then the bureaucrats at the BIA would have taken the whole thing a lot more serious. And we would be further along and some of our most recent problems would not exist.

Our Federal Partners

The members of the Tribal Work Group have always found the staff at the Department of Health & Human Services to be excellent to work with. They have been enthusiastic partners and have been consistently the strongest federal partner in their support for the 477 demonstration.

Our relationship with the Labor Department did not start off very good and we encountered outright antagonism from the Office of Special Targeted Programs. On one notable occasion they refused to come across town to an early 477 meeting in the Interior Department because they were not given 2 week advance *written* notice. There has been a wonderful change in our relationship with this agency however, with the arrival of Mr. Thomas Dowd as the Chief of the Division of Indian & Native American Programs several years ago. In recent years DOL has been solid in their support for 477 and have even borrowed some concepts that were first developed in this demonstration for integration into all of their programming.

What Indian doesn't have a Love/Hate relationship with the Bureau of Indian Affairs?

We have consistently encountered, and continue until this very day to encounter, an almost institutional resistance within the BIA to 477. We have been honored and privileged to work with some exceptional staff people at the BIA. The small Central Office staff dedicated to this demonstration are first rate and have our undying thanks for their efforts. But the further that you move up the considerable food chain at the Bureau, the more you feel the lack of understanding or commitment to what we are attempting.

I have been in the forefront of this demonstration since Day 1, and I have never had a discussion about 477 -- with any level of BIA leadership -- that I did not have to initiate myself, usually in meetings in Washington, that we would have to almost *demand*. In 4½ years, this is the first meeting that I have attended on this topic where the Assistant Secretary was also in attendance.

Our problems with BIA Central Office leadership pale in comparison to the problems we've encountered with BIA program and field staff.

The Office of Indian Education Programs (OIEP) was a tremendous source of resistance to Cook Inlet Tribal Council when we attempted to integrate the Johnson O'Malley program into 477. They fought us for an entire year. I swear to you that we did not receive our JOM funding into our FY96 477 plan until literally the last day of the school year. *We ran a program (and fought with OIEP) for the entire school year, without money.* When we tried to work with OIEP staff we were treated like so much garbage. Our Council, finally convinced of OIEP's bad intentions towards our efforts, finally had to re-program our JOM funds into an, "education program of tribal design" in order to escape from 65 year old JOM regulations that could have been waived, but were protected by self-serving bureaucrats. They were more interested in maintaining the status quo, than in helping us design and implement meaningful programs for our young people.

Many tribes around the country have expressed an interest in following our lead when it comes to integrating activities for our youth. Sadly, based on our experience, I have had to respond to these many questions by telling the questioner that they would be better off reprogramming their JOM funds into an "education program of tribal design" using the Tribal Budget System, before they integrate the program, because OIEP will not work with them to give them the tribal control and flexibility that they will need when the tribe integrates "OIEP activities" into a comprehensive school-to-work model.

It is only in the last 3 or 4 months that the Office of Indian Education Programs has ceased their active resistance to inclusion in the 477 demonstration.

What we will most likely encounter from OIEP in the future is the type of "guerrilla warfare" that we are encountering in the Agency and Area offices of the BIA. Despite clear policy direction from Central Office, the field offices do pretty much as they damn well please. Within just this last week the Anadarko Area Office has told the Citizen Potawatomi Nation the preposterous story, that the 638 funding the Nation wants to include in their 477 plan could be jeopardized or lost by inclusion in 477!

There has been tremendous confusion caused recently by this type of action, particularly in recent weeks with the General Assistance program. Field staff in each office *interpret* Central Office direction in a dozen different directions.

The BIA Central Office lawyers are now nit-picking each and every regulation waiver request with a fine tooth comb. Our experience with OIEP and the BIA lawyers is not unique: our plan was approved within 90 days (as required by the 477 law), however the regulations waivers that we requested as part of the (now approved) plan were held up in legal review. At one point in our battle we had verbal approval to proceed, which was later rescinded in writing while we languished in limbo for most of the year. We ran the program that we had out-lined in our plan, but we were technically in violation of existing JOM regulations. We were stubborn and refused to back down. Other tribes might not have taken the same risk.

The extreme BIA legal reviews are effecting every plan now. It appeared to us that this process of extreme review started when CITC and OIEP crossed swords on waiving JOM regulations.

BIA attorneys recently told the Tribal Work Group that there were statutory reasons for their just-announced position that General Assistance could not be included in 477. This comes 4 years after the Three Affiliated Tribes (and others) included GA in their 477 plans to great effect and just days after the Department of Health & Human Services announced their decision that the major new Temporary Assistance to Needy Families (TANF) program that replaces Aid to Families with Dependent Children *can be* included in a tribal 477 plan.

Unilateral decision making at the Central Office, with absolutely no tribal involvement or comment, feeds a terrible rumor machine in the field offices. A discussion in Central Office on whether or not GA should be included in 477 will set off some BIA bureaucrat in Anadarko or Aberdeen who will swear onto death that a decision has been made in Central Office not to include GA in 477.

The BIA is a machine that is out of control. Only strong leadership from the top will ensure that the energy-draining, time-wasting silliness coming out of some of the BIA staff will stop and this demonstration will proceed at full speed as it should.

The Tribal Work Group, in all honesty, has had numerous debates as to whether or not we will ever see that commitment from the BIA. Most of us have our doubts and hence our reliance on Congress to protect this model demonstration and keep the BIA honest.

Recommendations

Adopt us

When *you* pay attention to us, *they* pay attention to us.

With the Assistant Secretary's office being re-filled we are once again experiencing that vacuum that the bureaucracy thrives on. We've noticed a recent increase of the "guerrilla warfare" coming from field and program staff.

If this Committee would hold even one scheduled meeting per year on P.L.102-477 it would be a terrific relief to us.

Hold someone at the BIA accountable for complying with all of the provisions of P.L.102-477, including the progress reports to Congress and the labor market reports.

Adopt us II

Pay attention to *them*.

Cook Inlet Tribal Council has sent one of our staff, on a reverse IPA assignment, to Washington, D.C. several times a year to help the small federal staff process new 477 applications and updates to existing plans. There are several "seasons" when there are natural 477 start dates (July 1, October 1 and occasionally January1) when new applications tend to pile up. At the same time there are other CITC staff, including myself, who are providing technical assistance to tribes writing their 477 plans and developing their 477 budgets.

We have been proud to contribute to the overall effort, but as this demonstration continues to grow there needs to be more of a commitment made to monitoring the staffing level and making sure that 477 is sufficiently and appropriately staffed.

Require the BIA and the other federal partners to maintain and contribute to the peer technical assistance effort using existing technical assistance funds.

Help us fix the 477 law

There are a couple of clarifications that could be made in the 477 law as technical amendments. Among the most important possibilities that occur to me would be:

- limited statutory waivers, which were uncommon when 477 originated, but are not so uncommon now;
- perhaps strong language that empowers tribal 477 plans to innovate and integrate programs like General Assistance and Johnson O'Malley to strive to update and modernize these services;
- a requirement that "90 day plan approval" includes the legal review and waiver approval.

Closing

The 477 demonstration has succeeded beyond our wildest expectations. While no one was watching us, the 477 tribes really set about "re-inventing government". We have been successful, in spite of, not because of, any federal "assistance" or "leadership".

Our challenges are minor in comparison to the local successes that we have achieved. With your help we can expand the success that the 477 pioneers have achieved -- to the rest of Indian Country and even to the rest of the nation as they continue to consider national employment consolidation. It does work. The 477 tribes have proved it.

I, for one, am not surprised and I am eternally proud that the *"Indians are on point"* on this important effort.

Chairman Campbell, I have to thank you with all of my heart for your help today. Senator Murkowski, we have always appreciated your support for Alaska Natives and your efforts for our state. To the other members of the Committee and the staff, I add my sincere thanks for your time and attention to P.L.102-477.

Quyanna

Attachment: "477" Equals Tribal Jobs and Opportunities - A Progress Report to the National Congress of American Indians 6th General Assembly

Cook Inlet Tribal Council, Inc.

June 3, 1997

The Honorable Ben Nighthorse Campbell
United States Senate
Committee on Indian Affairs
Washington, D.C. 20510-6450

Dear Senator Campbell:

Thank you for your list of insightful questions regarding the hearings that your committee recently held on the implementation of P.L. 102-477, the Indian Employment, Training & Related Services Demonstration Act of 1992. I provide the following responses, per your request, for the official record.

1. As co-chairman of the Tribal Work Group, what are your duties and the duties of the work group?

The role of the committee has been primarily that of a troubleshooting committee of tribal technicians. During the development of the demonstration we have encountered a number of issues, usually bureaucratic in nature, such as how to transfer money from one agency and grant to another, or what type of reports the 477 grantees should use. The Tribal Work Group has been very active and has taken the lead on these issues. I feel compelled to mention that the tendency of the federal bureaucracy has been to build more bureaucracy. The Tribal Work Group is absolutely responsible for the strides that we have made in paper-work reduction with 477. At one early point the Labor Department was advocating that we should be required to submit information to the federal government on *literally each and every client that we saw.*

The Tribal Work Group planted our heels and stood our ground. We have reduced the federal administrative paperwork burden by 96%. *Without our strong advocacy it would have exploded in an unprecedented increase of federal paperwork.*

My role as co-chair has been largely that of facilitator. The other tribal co-chair, Mr. Leo Cummings, from the Three Affiliated Tribes, and I have the responsibility for organizing and chairing our quarterly meetings and Tribal Work Group conference calls. We also lead the small delegations from the work group that actually get to meet with lead BIA officials, primarily the Deputy Commissioner. We work very closely with Mr. Norm DeWeaver, of the Indian & Native American Employment & Training Coalition and his assistance to us has been invaluable. He has served as the unofficial Secretary of our group and his mailings to Indian Country on 477 events are the best source of current information on the subject. Mr. DeWeaver has also assisted us, at no cost, in many of our

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technical assistance sessions that the Tribal Work Group has presented around the country.

2. What is the make-up of the Tribal Work Group?

The 477 Tribal Work Group is an ad hoc committee of tribal representatives who are either current 477 tribes or interested 477 tribes. The original Tribal Work Group was comprised of the original six 477 tribes (Cook Inlet Tribal Council, Central Council of Tlingit & Haida Indians, the Three Affiliated Tribes, the Seminole Tribe of Florida, the Association of Village Council Presidents and the Sisseton-Whapeton Sioux Tribe). There have been a number of additions over the life of the committee. All of the 18 current 477 grantees are pretty actively involved in the committee, as well as a number of representatives from tribes that are exploring entry into 477. Members have included elected tribal officials, chief executive officers, planners, accountants and numerous program staff members.

3. What is the Tribal Work Group's budget and what kind of technical assistance does it provide to tribes?

Actually the Tribal Work Group does not have a budget. The Tribal Work Group has worked with the BIA to secure funding for peer technical assistance. Two members of the Tribal Work Group, Cook Inlet Tribal Council and the Three Affiliated Tribes have operated 3 separate technical assistance contracts.

We have been the leaders in the technical assistance effort, which recently includes a complete re-write of the Guidance to Tribal Governments for 477, the 477 Program Monitoring Guide, and a companion 477 Management Manual. Cook Inlet Tribal Council has also developed a computer template that many 477 grantees have used to develop their 477 budgets, and an electronic copy of Cook Inlet Tribal Council's model plan that many tribes have used to develop their own local plan. We travel to large statewide, regional, or national meetings where potential 477 tribes and tribal leaders can be educated about the demonstration. We have provided on-site technical assistance in recent years with existing grantees who are attempting to fully integrate 477 into their tribal management model. We have provided workshops for BIA Area and Agency Office staff.

For the last year I have made one of my staff members available to the BIA 477 office on a reverse-IPA (Inter-governmental Personnel Act) assignment. Ms. Bonnie Eastburn, the Cook Inlet Tribal Council 477 Coordinator, usually goes to Washington, D.C. for a 3-4 week assignment two times per year. Ms. Eastburn is detailed to the Bureau at the time of the year when tribal 477 plans are being submitted and working their way through the federal approval process. Since October 1 and July 1 are natural start dates for 477 plans, we have loaned our staff member to the Bureau in the 90 day periods before these dates. Both myself and one other member of our staff, Mr. Marc Leute, a Cook Inlet Tribal Council Program Analyst, are available to the federal partners and the 477 grantees to help with budget development and plan preparation. All of our time is donated by Cook Inlet Tribal Council.

4. Cook Inlet's focus is on youth programs. Can you describe these programs and what the impact has been among the young people you serve?

Many of the programs that can be individually included in a tribal 477 plan include pieces and parts that affect young people. For example:

- JTPA Title IV-a can include components that target youth including Vocational Exploration and In-school youth employment programs;
- JTPA Title II-b is the Summer Youth Employment Program;
- Johnson O'Malley targets Native American youth in public school systems
- the Child Care Fund includes two very small components for latch-key kids and before- and after-school child care activities;
- the Child Care Fund program also provides child care assistance payments to many teen parents;
- the Job Opportunities & Basic Skills program is designed to help get our families off of public assistance programs – many of the recipients of these services are teen parents;
- the BIA Adult Vocational Training and Higher Education programs serve many of our young adults;
- in many communities there are many teen parents on General Assistance or the new AFDC replacement, Temporary Assistance to Needy Families (TANF).

Prior to integration under 477, these programs were operated in three separate departments of Cook Inlet Tribal Council, often in separate *program* offices. An applicant would probably have to work with at least half a dozen different tribal council staff members to access all of these services, which would include filling out numerous application forms that asked for the same information over and over. Many of these activities were lost in the departments whose primary mission was serving adult clients not young clients. Our only youth specific programs, Johnson O'Malley and Summer Youth Employment were in separate departments and both experienced drastic reductions in funding in recent years.

Our concept has been to take all of these separate pieces and include them all in a full-service youth-oriented operation that stresses education and self-reliance. We have empowered our staff by giving them many tools with which they can assist the young people that they work with. Now a tutor-counselor who has a student that needs an after school job to stay in school, or latch-key kid services, or before- or after-school care, has the immediate ability to see that those services are made available. We are working harder with our students who are making the transition from high school to the world of

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work or the world of higher education. We are linking these activities together. Post-secondary education planning is emphasized throughout the school year.

None of these things would have been conceivable prior to 477. Tribes had learned very painful lessons in the past when they attempted to merge programs in practical tribal departments. The Job Training Partnership Act and the Job Opportunities & Basic Skills programs were natural partners of programs that "belonged together". Many tribes however, were driven crazy by competing federal staff & bureaucracy. They often found that their honest attempts to integrate these activities, at a practical system delivery level, were outright dangerous for the tribe. It was tantamount to bureaucratic suicide to *attempt* the type of consolidation that we have accomplished in our youth activities prior to 477.

It has been disconcerting for us to see the repeated emphasis from the Office of Indian Education Programs and many other educators that *their* "education" programs have nothing to do with "employment". This is a preposterous notion that they have perpetuated to the detriment of our children and our communities.

It is too soon for us to tell the impact of our efforts. On first analysis, however, we do know that we have created a viable year-round operation that targets tribal youth in a complete full-service, one-stop model that integrates all of our youth oriented services. We also have determined that we are spending less money on administrative functions and that has translated into more funding for scholarships, employment opportunities and other client-benefit services.

Our resources are still too few for us to conduct the type of program that we would like throughout the Anchorage School District. Rather than scatter our efforts in a shotgun fashion throughout the District, we are attempting to design and test a *model program* in a high impact area of the District. We hope that we can prove that our model is successful in reducing the Native drop-out rates, and is helping to improve test scores and other positive indicators. Our job then would be to find partners to help us replicate the model throughout the District, and hopefully in other parts of the country.

5. Who is the largest employer in your area?

The largest employer in Anchorage is a Carr's, a locally-owned chain of grocery stores. Other major employers in our area include many petroleum companies such as British Petroleum and ARCO.

6. Has the "477" plan resulted in changing patterns of hiring and business location?

The hiring patterns in Anchorage, which is a large metropolitan area, have not been affected by 477. However, in more rural communities, such as Fort Berthold or White Earth in the Lower 48, I am aware that the 477 demonstration has proved critical to the success of assisting new businesses being created or relocated to economically depressed

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areas of the reservations. The Three Affiliated Tribes in Fort Berthold have been particularly successful in their efforts to help create many new well-paying jobs on their reservation using 477 for training and other support costs. This is replacing a pattern of life-long dependence on General Assistance or welfare.

7. I understand there are other tribes ready to enter the "477" program. Can you project how many tribes will enter the program over the next 5 to 10 years?

In all honesty, if the Tribal Work Group and Congress can work out the kinks in 477, I absolutely expect that all of the tribal grantees will take advantage of 477 within the next 10 years. The advantages in paperwork reduction alone make it very desirable. It is the advent of serious welfare reform in this country though, that is already the largest single driving force for tribal consolidation under 477. The lessons learned by the so-called "477 pioneers" have been too positive for this demonstration not to catch like wildfire in this current "dry" environment. Our tribal member clients will *demand* a high level of service and 477 provides the ability to get the absolute most out of each federal dollar. *Necessity* has been and will continue to be the mother of this invention.

8. What kinds of staff and resources will such an increase mean for the tribal work group?

This is a very interesting question, Senator. We really have no staff and only our own resources. To hopefully answer in the spirit that you ask, I would think that as the demonstration grows and comes to include most, if not all, of the tribal grantees that we will probably have to form a more official federally or tribally sanctioned working group. In time this may come to be more of a *policy* group, where we have largely functioned as a *technical* work group to date.

There are probably more ramifications of your question when considering what such an increase will mean in terms of staff and resources to the *federal Lead Agency*. If the demonstration is moved into the Office of Self-Governance, as we discussed at the hearings, it is possible, and infinitely more preferable, that this demonstration can be integrated into an existing federal structure that does not present ever-increasing demands for an ever-larger bureaucracy. What the Office of Self-Governance promises us, in our minds, is a very small bureaucracy that is solely dedicated to getting funding into tribal hands, and working to help tribes succeed. Staffing will undoubtedly have to increase to some degree, but the small Office of Self Governance staff should be used as the model.

9. What other federal programs would you like to include in the "477" program?

I may be a dangerous person to ask that question of. As I mentioned to the Committee at the hearing, we borrowed the idea of 477 largely from the then-recent experiment in Tribal Self-Governance. Whether you call it, "477" or "Self-Governance" the *concept* is the important notion.

I am of the belief that Indian Country has been an unintended victim of this nation's "war on poverty" for many years. When the Great Society was invented many of the programs that we now know (or their ancestors) came into our lives. We all *knew* that our communities were terribly poor, so of course the "war on poverty" had to be something that would help us. It was a horrific mistake.

The "box-thinking" that came with numerous federal programs also came with numerous feds. Most of the decision making has been removed from even program operations by the paternalistic programming that we've seen. Our tribal councils are merely the fiduciary stewards of these programs, many of which they do not understand. If all of the decisions are made within the beltway or by overly restrictive regulation what decisions are left for our program managers? Or our tribal councils? Sadly, very few, if any. Indian Country has felt this for many years and has paid the price: our continued dependence.

I do truly believe that the concept of Self-Governance or 477 should be extended to cover the entire Federal-Tribal relationship.

Our tribal governments should be allowed to govern. They should be empowered to do so. *I would strongly advocate for one all-encompassing tribal compact that includes a tribal share of all federal programs.* What I am advocating is the marriage of Self-Governance and 477. Self-Governance taught us that it was possible to put the decision making for BIA and IHS programs and activities back into the hands of the tribes; 477 has taught us that this same idea can be extended to other agencies including the Department of Labor and the Department of Health & Human Services.

For too many years our problems have been determined and defined by the *next* federal program and the amount of money we get for that program. Competing federal agencies spawned overlapping federal programs that created competing tribal agencies and overlapping tribal programs. And the whole works is driven by a redundant bureaucracy that continues to sap the confidence of our tribal members in the entire system – Tribal and Federal.

In my heart I know that we have proven something with this demonstration that is far more important than just its application to federal Native employment programs. I applaud you for your wisdom in seeing this same potential.

10. Do you receive any feedback or comments on the reports that you file with the BIA each year?

No never. The Tribal Work Group has asked that all 477 tribes provide complete narratives with the required federal reports that are submitted.

11. In your experience, what changes would you like to see in terms of interagency cooperation at the federal level?

Include a requirement in technical amendments to the 477 law that the Assistant Secretary for the Lead Agency be required to meet on a regular basis (at least twice per year) with the 477 Tribal Work Group and the leadership of the other federal partner agencies to review accomplishments and resolve pending issues. In addition, require that all of the federal partners be required to provide funding to support the peer-to-peer technical assistance that has been the hallmark of the 477 demonstration.

One of the most interesting observations that i can offer you is that prior to this demonstration none of the federal staff from the various agencies knew anything about the programs and mission of the other federal agencies. These staff people, that all of us tribal people knew, literally had to be introduced to one another when we first started. One side benefit has been the inter-agency understanding and working relationship that 477 created between these federal staffers.

11. What changes would you recommend to P.L.102-477?

There are a couple of clarifications that could be made in the 477 law as technical amendments. Among the most important possibilities that occur to me would be:

- delegate a new lead agency, preferably the Office of Self Governance, and mandate that existing 477 staff be loaned or transferred (at BIA expense) to the new lead agency;
- authorize limited statutory waivers, which were uncommon when 477 originated, but are not so uncommon now;
- insert strong language that empowers tribal 477 plans to innovate and integrate programs like General Assistance and Johnson O'Malley to strive to update and modernize these services;
- include a requirement that "90 day plan approval" includes the legal review and waiver approval;
- include a requirement that the Assistant Secretary for the Lead Agency be required to meet on a regular basis (at least twice per year) with the 477 Tribal Work Group and the leadership of the other federal partner agencies to review accomplishments and resolve pending issues.
- that all of the federal partners be required to provide funding to support the peer-to-peer technical assistance that has been the hallmark of the 477 demonstration.
- that Congress require the Lead Agency assure that, as the demonstration grows, it will receive adequate staffing and support.

13. What has your experience been with the Juneau Area Office (JAO) and/or BIA Central Office regarding implementation of P.L.102-477? Please give the Committee specific examples of the barriers you have encountered.

My experience with the Juneau Area Office has generally been fairly positive as it relates to 477. I have other issues with JAO, but for most purposes related to 477 they have been quite positive and helpful to work with. Two JAO employees, Mr. Francis Dunne and Mr. Clark Millet have been particularly helpful and have been active and enthusiastic

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partners. We have recently encountered problems with the BIA Social Worker in JAO, but that has been partly due to mixed signals coming from Central Office and partly due to ignorance of what 477 is about.

My experience with the BIA Central Office has been much less positive. I have been a very active member of the Tribal Work Group since its inception, and have been co-chair for the last 3 years. Cook Inlet Tribal Council has been the technical assistance contractor for the last 2½ years. In all of that time I have never received even one 477-related phone call from any Central Office employee other than Ms. Lynn Forcia, who is our brightest star at the BIA.

On one recent occasion when the Tribal Work Group was meeting in Washington, D.C. the Tribal Work Group spent much time talking with Ms. Forcia's supervisor, Ms. Nancy Jemison about the need for the BIA to continue funding for the peer-to-peer technical assistance. Ms. Jemison made an appointment with me to meet her in her office the next morning to discuss the proposal that Cook Inlet had presented. When I and one of my staff arrived at the appointed time we were told to wait in an outside waiting area. Ms. Jemison, in the meantime, slipped out the back door so she would not have to meet with us. I finally looked in her office to see where she was. A steaming cup was on the table and she had forgot her purse in her rush to avoid us. In the meantime, a BIA public relations guy was pumping us for information that was used in a Press Release ("Tribes take Welfare Reform Seriously" copy attached) from the Assistant Secretary, in which the BIA claims all of the credit for the demonstration and completely fails to mention the Tribal Work Group even exists.

More recently, after the Committee's hearings, I have been hearing that the BIA is "out to get" the Tribal Work Group and Cook Inlet Tribal Council for our testimony. Ms. Jemison has reportedly indicated that we are simply ungrateful louts who only use *their* technical assistance money to attack the BIA and that we will never see another penny of funds for this effort from her. Based upon Ms. Jemison's always-partisan defense of the BIA and her past performance with the Tribal Work Group I am completely inclined to give credence to these reports. My feelings are of such a strong nature that I accepted your invitation and submitted follow-up testimony to the Committee *after* the hearings in which I raise this same issue. *It appears that we are in for a bit of bureaucratic retaliation for our justifiable criticism of the BIA before your Committee.*

The Office of Indian Education Programs, within the BIA, has been a terrific source of irritation to Cook Inlet in particular. Waiver requests for 65 year old regulations, that they themselves admit are out-of-date turned into a year long war. We were forced to operate our primary In-school program (Johnson O'Malley) for the entire school year without funds. On the last day of school we finally received our funds for that year. This office seems to have more of an institutional loyalty to Indian parent committees that operate entirely beyond any type of Tribal control than they do to the concept of tribal Self-Governance or Self-Determination. The Johnson O'Malley program includes a requirement that in the absence of an Indian-controlled school board, that there be an

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parent committee to oversee literally all aspects of the program. This made sense in 1931 when there weren't any Indian-controlled school boards, but makes absolutely no sense since 1971 and the Indian Self-Determination Act.

When our waiver requests were months and months old and when we had no money coming in for Johnson O'Malley activities, I and our attorney, Mr. Lloyd Benton Miller, Esq., attempted to discuss the issues with OIEP. We were rudely told that they would not talk to us and would not tell us what the BIA's position was on our request. Finally after 8 months we received a terse, legally-written letter that denied 95% of our request to modify the powers of the parent committee to an oversight and advisory role. There was no negotiation. We had no day in court. We were frozen completely out of the process.

Rather than support us for our innovation in assisting our youth, we were labeled as troublemakers and treated like we had made loud nasty noises in church.

At the hearings I was left with the very clear impression that OIEP will continue to resist 477 or any other innovation or modernization of *their* education programs. . . since "education" obviously has nothing to do with "employment". They are part of the *problem* not part of the *solution*.

14. Could you also comment briefly on the success of the programs being run in other areas of Alaska, such as Kawerak, Chugach and Bristol Bay?

I recently had a discussion with the President of both Kawerak and Bristol Bay Native Association about the implementation of 477 in their communities. Both are Self-Governance tribal organizations and they were unanimous in their praise of 477. In the words of Kawerak President, Ms. Loretta Bullard, "With Self-Governance and 477 we have double flexibility. . . we would never even *consider* going back to the old way."

14. Mr. Bingham, you mentioned in your testimony that since Congress passed P.L.102-477, CITC has almost tripled the number of job placements in Anchorage. Could you tell this Committee how "477" helps tribes adjust from welfare to work?

As I stated earlier, welfare reform is the single largest driving force behind future tribal consolidations under 477.

These days you hear quite a bit about "One Stop Shopping" for service delivery. I have heard many things, most not too positive, about some of the mainstream attempts to put a number of services in one location for the convenience of clients. I have heard that the efforts in your home state of Colorado, for example, have had mixed success.

What these agencies are attempting is futile and is a mirror of tribal efforts in years gone by. For decades we have taken all of those Great Society programs and attempted to make a patch quilt for our people. But since all of our patch pieces were exceedingly different our quilt often had many holes and despite all of our efforts would not keep us

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warm. 477 allows tribes and tribal organizations to trim the patches to fit our need. We have found a way to make a blanket that will keep us warm.

What the mainstream "One Stop" centers are finding is that they are creating one stop for the client, but the administrator and service provider are still enslaved to numerous separate programs with numerous masters. It is becoming a bureaucratic nightmare. Much the same nightmare that the tribes encountered over the years when we attempted to mix services for clients that were still "separate" programs.

What 477 has delivered is relief to the client, but also relief to the tribal bureaucrat. We have consolidated programs not simply by co-locating them but, rather, *by completely integrating* the planning, reporting and management of these programs. The record of the 477 tribes is clear: with total integration we can spend less of everyone's time on bureaucracy, which translates to more time for clients and truly integrated service -- without bureaucratic turf wars or conflict.

Most of us are working for the betterment of our communities -- that is *our* goal. To the degree that we have become federal grant managers intent on keeping the feds happy we have lost our direction. As I say to my staff all the time, "the mission is the mission". The system has become misdirected and is now more about keeping the federal government and its numerous departments, agencies, offices, and individual staff members content than it is about bettering our communities. 477 and Self-Governance reverses this orientation and lets the first overriding goal once again become "the mission". This is critical to the success of tribes hoping to end dependence on welfare programs and intent on building strong tribal economies that create good jobs in our own lands where we and our parents, grandparents, children and grand-children can live with pride and dignity.

16. Mr. Bingham, could you tell the Committee why you believe it is important that the peer technical assistance effort continue?

Our single greatest strength throughout the demonstration has been the commitment of the tribes in the demonstration. It is no accident that half of the 477 tribes are also Self-Governance tribes. Many of us early "477 pioneers" tended to be old-timers in the Indian Employment & Training arena.

In short, we have been tapping into our collective reservoir of knowledge, strength and commitment. We know what needs to be done in our own communities. We have all shared the same federal programs the same way our ancestors shared battlefields. Throughout Indian Country, we have seen consultants come and consultants go. Most often they were employed by the federal government in one form or another and quite often they have not had our own interests at heart.

I cannot tell you how many consultants I have seen the federal government hire and send out to help me or my organizations over the years. In only one case -- a Hispanic

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gentleman from New Mexico -- did I ever receive any type of assistance that was actually meaningful to me. When Cook Inlet Tribal Council received the technical assistance contract, I was *personally* determined that we would provide a service that was of real value to the people that received it.

To that end, we prepared and disseminated more than 200 video informational tapes (professionally made in-house at Cook Inlet Tribal Council for less than $3 per tape) and 75 computer discs that include a model plan, a tribal council informational presentation, waiver templates and a budget building template that helps calculate indirect costs for 477. The issue of Indirect Costs is an especially tricky issue since 477 mixes "638" programs and non-"638" programs and Indirect Costs are handled completely differently within "638" than they are outside of "638". Because I was a Tribal Planner I knew that this was going to be a difficult issue. I had designed the solution and we were using it in 477 for 4 years before anyone in a BIA leadership position even wondered how we were handling Indirect Costs in 477.

Simply, Senator, I would respectfully submit that we have more at stake in this demonstration and we have always been more on the 477 ball than any consultant could ever be. Our interest is only in seeing that participating tribes succeed in meeting their own tribal goals. We have provided professional quality technical assistance that has really been of value. We have met *our* goal.

Perhaps the most gratifying aspect of being one of the co-chairs and the primary technical assistance providers is the knowledge that I have been instrumental in fostering and teaching a new idea and concept, and have helped individual tribes determine their own best course. With only a small boost of assistance I have seen them move boldly forward. Their success is my greatest reward. The success of Indian People is why I do what I do.

Senator Campbell, you have done a good thing with these hearings. For your help and assistance and interest you have made a friend for life. *You are one of my heroes.* I had almost thought that I was too old for that stuff, but I know now that I was wrong. That is a good thing to learn. *Thank you* seems not enough somehow.

Sincerely,

COOK INLET TRIBAL COUNCIL

Leroy Bingham
Chief Executive Officer

cc: Members of the Senate Indian Affairs Committee

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NEWS
U.S. DEPARTMENT OF THE INTERIOR

**OFFICE OF THE
ASSISTANT SECRETARY - INDIAN AFFAIRS**

FOR IMMEDIATE RELEASE
October 16, 1996 Ralph E. Gonzales (202) 219-4150

INDIAN TRIBAL GOVERNMENTS
TAKE WELFARE REFORM
SERIOUSLY

Ada E. Deer, Assistant Secretary for Indian Affairs announced that 177 federally-recognized tribes representing 18 tribal grantees are currently participating in a demonstration project that allows for the integration of the employment, training and related services provided by formula-funded programs from three federal agencies.

Since the enactment of this demonstration project job placements have significantly increased, and there has been a reduction in reporting requirements, in some cases, by approximately ninety-six percent. Federal funding in the amount of $17 million has been pooled by participating agencies for this demonstration project. "The 477 program, has been a great success and is an example of the Administrations efforts to make government more responsive and flexible," Ms. Deer said. This program is authorized under P. L. 102-477 and is entitled the Indian Employment, Training and Related Services Demonstration Act of 1992.

The General Accounting Office (GAO) identified 154 various Federal work force development programs in their 1994 report to the Congress. Many of the 154 programs provide similar services to the same populations. The GAO concluded that:

> Conflicting eligibility requirements and differences in annual operation cycles are hampering the ability of programs to provide participants needed services... Differences in eligibility criteria make determining who is eligible for which program a complex process that confuses clients and frustrates administrators.

"The 477 demonstration program changes all that, Ms. Deer said. "Instead of operating 10 different federal programs, tribal governments now operate just one -- commingling all federal funds. Instead of 10 separate tribal accounts, tribes only have one. Instead of 10 separate reporting requirements with 166 pages due quarterly, tribes now have only one annual reporting requirement."

"Some tribes initially expressed reservations due to funding transfer delays, or skepticism due to years of frustration. The same tribes now express their pleasant surprise because the 477 program has made it

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easier for staff at the tribal government level to do their jobs and to be more successful," Ms. Deer said. "The Cook Inlet Tribal Council increased their job placement from 500 the first year to 1,000 in the second year," Ms. Deer said.

All federally recognized Indian tribes are eligible to participate in this demonstration program that receives formula-funding for employment, training and related services from the Department of Labor's JTPA and Summer Youth Program, Department of Health and Human Services JOBS and Child Care programs, and BIA General Assistance, Tribal Work Experience, Adult Education, Adult Vocational Education, Johnson O'Mally and Direct Employment Programs.

For information about this program contact the Office of Economic Development, Division of Job Placement & Training, (202) 219-5270. Bureau of Indian Affairs, MS -1458-MIB, 1849 C Street, NW, Washington, D.C. 20240.

Press releases may be downloaded from the DOI Homepage at URL http://www.usgs.gov/doi/[illegible]

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CENTRAL COUNCIL
tlingit and haida indian tribes of alaska
ANDREW P. HOPE BUILDING
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TESTIMONY OF
EDWARD K. THOMAS, PRESIDENT
CENTRAL COUNCIL OF THE TLINGIT AND HAIDA INDIAN TRIBES OF ALASKA

SUBMITTED TO THE
SENATE COMMITTEE ON INDIAN AFFAIRS

OVERSIGHT HEARING
ON THE
IMPLEMENTATION OF P.L. 102-477,
THE INDIAN EMPLOYMENT, TRAINING AND RELATED SERVICES DEMONSTRATION ACT OF 1992

MAY 13, 1997

Greetings from Alaska! My name is Edward K. Thomas. I am the elected President of the Central Council of the Tlingit and Haida Indian Tribes of Alaska, a federally recognized Tribe from Southeast Alaska. My Tribe has a membership of over 22,000 enrolled members. My Tribe was among the second group of Tribes to enter into Self-Governance Compacts. More importantly for this hearing, my Tribe was the **first Tribe** in the country to be approved to contract under P.L. 102-477, the Indian Employment, Training and Related Services Demonstration Act of 1992, and we are also the **first Self-Governance Tribe** to participate.

As a Self-Governance Tribe, we continue to administer tribally-driven program services to tribal members throughout our region. Being both a Self-Governance Tribe and a P.L. 102-477 participating tribe, we have double flexibility. We have noticed an increase in the number of participants we have been able to serve due to the flexibility we have over use of funds, and an increase in the number of special activities implemented under P.L. 102-477 to meet local community needs.

Each year we exceed our performance standards, which contributes to our flexibility to enter into joint ventures and to redesign a variety of tribal programs to better meet local needs. For example, Employment and Training now receives 85% of our General Assistance budget and the remaining 15% remains with our Human Services Department. General Assistance recipients are now offered meaningful jobs that build family self-sufficiency. The "477" law represents a radical departure from past federal efforts to address the severe problems of unemployment and poverty that our people face.

Since 1994, when Central Council integrated our Employment and Training programs into a single comprehensive program, the accomplishments and rewards have been exceptional. It was noticeable from the beginning, after our administrative burden was reduced, and staff had more time to improve the effectiveness of services and to plan innovative projects to meet local community needs. Before 477, we were doing 21 reports a year to different grantors and various community reports to our constituents. Now, the report we do for 477 is used to develop community reports. We have been able to improve our services substantially even as our formula funding levels have actually declined.

Welfare Reform:

Central Council is holding off for a year before applying to administer the Tribal Temporary Assistance for Needy Families (TANF) block grant program, until the **state match issue** is settled. If the Tribe does not receive the full amount of money the State spent on AFDC for Native families in FY 94, it would be very difficult to assume full responsibility for running our own TANF program. Until the state match issue is resolved, we will be contracting with the State of Alaska to do only the work activities portion of the State TANF.

Another critical issue is whether full funding at the **FY 94 level would be sufficient** to cover the necessary cash benefits, pay the costs of case management and other essential services, and reimburse Native groups for the rather steep administrative costs associated with TANF. If caseloads increase above the FY 94 levels, the FY 94 amount would not be enough.

Since we have no funds designated for "welfare reform", we have been using our 477 funds and other grants to support such activities that educate and position our Tribes to reduce welfare as follows:

1. Education Campaign: We are informing our villages on the impacts of welfare reform, as well as what we propose we can do to improve the opportunities for employment and training for welfare recipients. We have held two Regional Welfare Reform Workshops, one in September of 1996 and the second one last month, April of 1997. We also produced a video called "Introduction to Welfare Reform", and provided each community with a copy to show at their community meetings and workshops.

2. Planning for Tribal TANF: We established steering committees to ensure there is no duplication in service delivery, to develop the necessary reporting and tracking responsibilities and to provide guidance on other issues as it relates to our tribal

TANF plan. We have requested data from the State on expenditures for benefit payments, administration and other state programs for the benefit of AFDC recipients. We are analyzing our own program expenditures for General Assistance, Child Care and Tribal JOBS for the past several years. We plan to do a Regional Data Profile, which is similar to a Tribal Census, so we can rely on our own statistics and identified need. To ensure Tribal input, we plan to identify community leaders and administrators who will provide more direct input as we develop our Regional Tribal TANF plan. Our Employment and Training Department, which is under PL 102-477, is currently reorganizing and expanding to address welfare reform. Along with other tribes statewide, we are actively communicating with our congressional delegation, other members of Congress and with our state legislators and administration, to ensure that equal access and comparable service delivery exist in all areas of the State. The following "new services" will also address the needs of welfare reform.

New services:

We received a grant from HUD to construct a new Regional Vocational Training and Resource Center which will address training needs region wide. Our training programs include Computers, Small Business, Tourism, Construction, Basic Skills, Life Skills and Mining. Our training will soon have the capability to reach each community through distance delivery and many of our 477 clients have and continue to participate in the above training.

Our Even Start Program provides early childhood education, life skills and parental training to low income parents. This is a new program that has received a tremendous response from tribal members wanting to participate. We are able to utilize some of our Child Care Development Block Funds and Tribal JOBS funds under P.L. 102-477 to enhance our Even Start program.

We have a Tribal Vocational Rehabilitation Program which assists disabled tribal members in finding and maintaining employment and/or learning skills necessary for living independently. The program emphasizes local job development and provides culturally appropriate vocational rehabilitation services. The Vocational Rehabilitation Program is not included in our P.L. 102-477 Plan, but our 477 program jointly shares some resources with it in order to provide more services to tribal members with disabilities.

Other activities made possible by P.L. 102-477 include increased job development efforts to meet the new "work requirements" of TANF and our General Assistance Tribal Work Experience Program. We now have a computerized job bank instantly accessible to the villages we serve. We provide better quality services to more participants despite reduced funding and we have made major changes in our case management. We have improved our coordination with unions to increase the opportunity for apprenticeships and internships positions. We participate in joint ventures with ANCSA Corporations to train and place their shareholders in their corporate businesses.

Youth Activities:

Each year we offer an improved Summer Youth Employment Program. We have increased our Educational Enrichment activities to include: Work Ethics, Life Skills, Basic Education and Career Exposure. We participate in the U.S. Forest Service's training on National Resource Management Planning, where students learn about natural resources and how to plan and protect what they have (within their village and urban corporations). We send students to culture camps to learn the Tlingit or Haida language, songs, dances, carving, beading and subsistence gathering.

Issues to be recognized and barriers to be addressed by P.L. 102-477 Programs:

Rural Alaska Natives are in a transition from a subsistence economy to a capitalistic economic system. The rest of the United States has had 200 years to make the transition, which only began in Alaska Native communities during the past 20 to 50 years. Alaska Natives in rural communities are still in the transition.

In most of our small villages, unemployment rises to as high as 80% during the winter months. Subsistence products can supplement a family budget, but fall short when cash is needed to pay for heating, utilities, food staples, clothing and shelter. If there were jobs for all of the people who are required to get a job, there would need to be at least twice as many jobs and possibly up to 5 times more new jobs. When so much of the economy is based on a subsistence way of life, it is not realistic to expect that many new jobs be created. Even though most people in Alaska villages are hard-working, most of their work skills are in the area of subsistence and these skills are not marketable in other forms of work.

When jobs become available in an Alaskan villages, many roadblocks exist to prevent or discourage the hiring of Natives. Most construction contractors bring most of their labor force in from an urban area or from out-of-state. The State also imports workers into rural areas for its maintenance work, U.S. Bureau of Land Management brings out-of-state college students for work during the summer months and Alaska Fish and Game often imports people for its management jobs. Some employers are reluctant to hire local Native people because they know that most of these people will need to take time off for subsistence activities, which is vital to their survival, at some during the summer. Affirmative action programs in all local, State and Federal agencies are either never implemented or totally ignored. In particular, Alaska State agencies are reluctant to embrace Native Preference laws that could prove to be invaluable in helping to break the cycle of dependency.

Consequently, various government agencies set employment standards that are designed to screen out local people.

There are a number of other government policies that tend to diminish job opportunities for people in rural Alaska. The one law that has done more than anything else to reduce job opportunities for people in rural Southeast Alaska has been the limited entry fisheries law, under which the State put a monetary value on fishing permits and lent fishermen money to upgrade their fishing operations. These loans were often made in the Spring, so payments became due in subsequent Springs before the fishing season began and thus before the fishermen had any funds with which to meet their loan obligations. The State was inflexible and the fishermen lost their rights to fish commercially. Other fishermen sold their permits after a poor season.

Central Council Tlingit and Haida Recommendations:

A. Tribes are now preparing or submitting their Tribal Temporary Assistance to Needy Families (TANF) Plans to the federal government. Tribes that are participating in P.L. 102-477 may wish to include TANF in their P.L. 102-477 Plans. We ask that the Senate Committee on Indian Affairs urge the Administration to expedite the inclusion of Tribal TANF funds to Tribes under the flexible authority provided in P.L. 102-477.

B. The Bureau of Indian Affairs (BIA) has been the biggest obstacle to the implementation of P.L. 102-477. BIA officials have either ignored the needs of P.L. 102-477 tribes or have refused to exercise the flexible authorities mandated by the statute. Without BIA involvement, the Act cannot be implemented. BIA is an important link in the chain of getting the different Federal agency funds to the tribes. Now, with TANF programs upon us, we urge the Senate Committee on Indian Affairs to insist, as part of its oversight responsibilities, that the BIA regularly report to the Committee on its performance in responding to tribal requests for consolidation and fund transfer under P.L. 102-477.

C. In addition, our Tribe is in full support of the following recommendations of the Tribal Work Group:

1. That the Senate Indian Affairs Committee urge the Secretary of the Interior, the Assistant Secretary for Indian Affairs and the heads of the other federal agencies involved in the P.L. 102-477 initiative to meet with tribes participating in the initiative not less than twice each year to review the accomplishments of the demonstration program and to resolve any pending issues.

2. That the Secretary of the Interior and the Assistant Secretary for Indian Affairs issue a clear directive to all BIA staff in Central Office and the field, requiring their support of the 477 initiative. This directive should also clearly indicate that the General Assistance and Johnson O'Malley programs can be included in tribal 477 plans.

3. That BIA and the other federal agencies provide financial support for the technical assistance efforts of the P.L. 102-477 Tribal Work Group.

4. That BIA insure that adequate staff resources are available to properly support 477, including the continuing expansion of the initiative as more tribes join.

5. That the Senate Committee on Indian Affairs consider an amendment to the law to permit the agencies to grant waivers of statutory provisions in the programs which tribes can integrate under 477, consistent with the purposes of 477.

Thank you for the opportunity to testify today on the implementation of P.L. 102-477, a statute we whole-heartedly support. Gu'nal-cheesh, Howa - which means "thank you" in Tlingit and Haida.

CENTRAL COUNCIL
tlingit and haida indian tribes of alaska
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Juneau, Alaska 99801-9983

FAX SENT TO: (202) 224-5429 on June 5, 1997

June 5, 1997

The Honorable Ben Nighthorse Campbell
United States Senate
Committee on Indian Affairs
Washington, D.C. 20510-6450

Dear Senator Campbell:

Central Council Tlingit and Haida Indian Tribes of Alaska appreciated the opportunity to testify May 13, 1997, at the Hearings on the Implementation of PL 102-477, the Indian Employment, Training and Related Services Demonstration Act of 1992. The following is our response to the Committee's supplemental questions for the hearing record.

1. **Your testimony indicates that 85% of your General Assistance (GA) funds are dedicated to employment and training. What kinds of activities does this money fund?**

Adding General Assistance funds to our PL 102-477 Program allowed us to improve our ability to serve more low income clients and offer extensive case management. The majority of our 477 clients are eligible for GA and it wasn't until we transferred the GA funds from Human Services to Employment and Training, that we had direct access to spending the money on employment and/or training services. We assist tribal members in the areas of basic skills (literacy, work ethics, life skills, etc.); vocational training; direct employment; child care services; on-the-job training; work experience and a variety of support services. Our program encourages, assists and requires recipients to fulfill their responsibility to support their children/families by preparing for, accepting and retaining employment.

2. **I understand that before your tribes take on the Temporary Assistance for Needy Families (TANF) you are negotiating on the state portion of funds for this program. Are you negotiating with the State of Alaska alone or with the state and the federal government?**

We are currently negotiating with the State of Alaska for a grant to provide a "work activities" program to tribal members residing in Juneau only. We had hoped to include the entire Southeast region, but the State only approve funding for Juneau, due to limited funds. We are not negotiating with the federal government, at this time.

3. Who are the largest employers in your geographical area?

For Juneau the largest employer is the State of Alaska and Federal Government. For many of our communities it is fishing, tourism and service providers.

4. Have the tribes' training and resource center made possible by the HUD grant resulted in more Native employees in the local economy?

The full impact of the HUD grant is yet to be realized by the tribe and local economy as the building will not be finished until the spring of 1998. However, the grant has given the tribe the potential to increase local training for the tribal workforce which is particularly important with welfare reform. Once the facility is finished and training can be expanded, the results will be more evident and are expected to have a great impact on the local economy for Native employees.

5. Does the new "Resource Center" work with local employers and others to attempt to create jobs or small businesses for your members?

The Vocational Training and Resource Center, as one program in an one-stōp-shop within the tribe's integrated Employment and Training department, does work with local and regional employers in attempts to create jobs and potential small business opportunities for our members. Examples of employers include Osborne Construction (regional housing authority contractor), Coeur Alaska, Goldbelt Incorporated, and Alyeska Pipeline Service Company.

In addition, the Resource Center offers small business planning as a training program. To date, a total of 9 Native owned businesses have either started or expanded under this program. With the new facility to be constructed, a business incubator will also be available for new Native owned businesses to operate from during their first three years.

6. You note that contractors, the state, and even federal agencies bring in "outside labor" instead of hiring Native workers. Has the "477" plan and the resource center in particular resulted in any changes in this hiring pattern?

The hiring trend in Alaska has long depended upon imported labor at the expense of the permanent and local Native work force. The 477 plan and the Resource Center have resulted in changes to this pattern. For example, in the construction of 50 housing authority resident homes during the 1996 construction season, the Resource Center leveraged 477 funds and worked in collaboration with the regional housing authority to offer a construction skills training program jointly with the University of Alaska Southeast. A total of 18 unemployed or low-income tribal members were trained under this program, and 50% have successfully obtained permanent jobs in the construction field.

During the past spring of 1997, 30 unemployed or dislocated workers were trained in basic skills for employment in the regional mining industry. This is was a joint project with the Berners Bay

Consortium (3 village ANCSA corporations) to develop a local work force for employment on the Keningston Mine project with Coeur Alaska. To date 2 of the participants have been hired by Coeur (environmental permits are pending which is delaying operation of the mine) and 13 others have found employment with various employers (Greens Creek mine, Sealaska limestone mine, and various private employers on construction crews).

7. What other federal programs would you like to include in the "477" program?

Alaska tribes are the only tribes not eligible to apply for Tribal Employment Rights Office funds from the U.S. Equal Employment Opportunities Commission, solely because we do not have "reservations". It is only fair that we receive funds from U.S. EEOC, to fund our TERO programs, which are now, barely or not at all, funded under 477. Alaska Natives are the highest unemployed group in the State of Alaska, with up to 80% unemployment in many of our villages. We have limited access, to no access, to the services provided by the Civil Rights Office, Human Rights Office, Office of Equal Employment Opportunities and Office of Federal Contract Compliance Program.

8. Do you receive any feedback or comments on the reports that you file with the BIA each year?

We have never received any feedback or comments from BIA. We send copies to not just BIA, but to DOL and HHS and have not received feedback from any of the agencies.

9. In your experience, what changes would you like to see in terms of interagency cooperation at the federal level?

As we discuss in our response to Question 10, below, we recommend that a new lead agency be designated, preferably the Office of Self-Governance. Also, for better cooperation to occur between the various federal agencies, there needs to be more frequent communication and interaction. Therefore, another change that would be beneficial would be a requirement that participating agencies and the 477 work group meet more regularly.

10. What changes would you recommend to P.L. 102-477?

Delegate a new lead agency, preferably the Office of Self Governance and mandate that existing 477 staff be transferred (at BIA expense) to the new lead agency.

A requirement that the Lead Agency be required to meet on a regular basis (at least twice per year) with the 477 Tribal Work Group and the leadership of the other federal agencies to review accomplishments and resolve pending issues.

A requirement that the other federal agency partners be required to provide funding, to support the technical assistance needs of the existing 477 tribes and potential tribal participants.

11. **You mentioned in your written testimony that the Bureau of Indian Affairs has been the biggest obstacle to the implementation of P.L.102-477. What has your experience been with the Juneau Area Office and/or BIA Central Office regarding implementation? Please give the Committee specific examples of the barriers you have encountered.**

Our relationship with the Juneau Area Office has been positive. We deal directly with the Office of Self Governance, since our 477 Plan is attached to our OSG Compact. Our relationship with OSG has been positive and supportive. In the beginning it was difficult to receive funds, now I do not notice any problems with fund transfers.

The BIA Central/Economic Development Office has limited staff and resources, which has made it very difficult for us to communicate and resolve pending issues. Without staff having the necessary authority and resources to carry out the responsibilities of the 477 program, they can only provide a limited service to 477 tribes. The following are specific requests we made to BIA.

We requested copies of the documents that transfer funds to our accounts, so we could compare the amounts and the actual transfer dates. Our finance department and auditors need this information to confirm funding amounts. We made this request several times at Tribal Workgroup meetings and the other tribes agreed, that we needed this important information as our backup. There were a few times we did receive this information, but it was only after we contacted the federal agencies and they sent us a copy from their office. We also suggested a quarterly summary of our funds from BIA, since we were not receiving the above, but neither has been put in place.

•Each year we send a financial report and program summary to the BIA Central Office but have never received any comments back. When BIA came to Juneau to monitor our program, we never received a final monitoring report. Each year, our auditors ask if we have written comments from BIA regarding our reports or monitoring visits, for their files.

•Our tribe spends a considerable amount of money traveling to Wash, D.C., to attend the Tribal Work Group meetings. Often times we feel frustrated that we spend our time and resources to resolve issues at these meetings, when the BIA representative is not authorized to resolve many of the issues, without having to getting back to us later.

•At some of our Tribal Work Group meetings, we discussed the BIA Labor Force Report and our desire to assist them in the drafting of this report. Since we are the ones that complete the report every two years, we have valuable information on how to improve the report. Recently, we learned BIA has completed the report format and it will be sent to us to be completed by October 1997. This report has never been useful, which is why we wanted to redesign the form and how it is implemented.

12. Could you also comment briefly on the success of the programs being run in other areas of Alaska, such Kawerak, Chugachmut, and Bristol Bay?

In listening to representatives from Kawerak and Chugachmut, they seem relieved of the administrative burden, especially since they have limited staff to do the work. Now their time can be spent planning and enhancing their programs. The smaller 477 tribes are not able to attend many of the meetings, so they rely on other 477 tribes to assist them.

13. You mentioned that there has been an increase in the number of participants you serve under the program. Can you give the Committee a rough idea of this increase in participation in the past year, compared with your starting year?

We have experienced a steady increase in the number of participants, due to the addition of General Assistance/Tribal Work Experience Program and our new Vocational Training and Resource Center (see comments on VTRC in #4-6). In 1994 we had **265** participants, in 1995 we had **475** and in 1996 we had **1031** participants. We also expect that after July 1, 1997, we will notice a higher increase of requests for services, but we do not have the additional resources to assist them. Tribal programs cannot be considered the safety nets for welfare recipients. We have never had sufficient funds to meet the growing need for employment and training activities, and we maintain lists of applicants waiting to be considered for funding. PL 102-477 does not provide any **new funds,** just a more efficient way of doing business, in order to address the severe problems of unemployment and poverty of our people.

14. What specific waivers of statutory provisions in the program which tribes can integrate under 477 would you like to see Congress grant/ Are you suggestions encompassed by the package of technical amendments to the welfare reform law that House of Representatives recently passed?

Allow tribes to waive statutory restrictions in the law where - authorizing the programs that tribes can consolidate under 477.

15. Can you tell the Committee why you believe it and the Administration should support quick inclusion of Tribal TANF (Temporary Assistance to Needy Families) Funds under the flexible authority provided by this law?

Tribes are now preparing and submitting their Tribal Temporary Assistance to Needy Families (TANF) Plans to the federal government. Some tribes plan to attach their TANF to their 477 Plan, with a startup date of July 1, 1997. BIA does not appear to be prepared to take on TANF, nor do they realize how complicated of a program it is. At our last Tribal Work Group meeting, there was no one present from the Administration of Children and Families Tribal TANF Office and BIA had only just begun communicating with them. We are concerned BIA will not be prepared to include Tribal TANF in 477, without an increase in support and resources.

The Central Council Tlingit and Haida Indian Tribes of Alaska appreciates your interest and commitment to support PL 102-477. We appreciate the assistance the Senate Committee on Indian Affairs has provided to the continued success of PL 102-477.

Sincerely,

Sharon Olsen, Manager
Employment and Training

cc: Edward K. Thomas, President of CCTHITA

Note: Original letter express mailed on June 5, 1997.

Sisseton - Wahpeton Sioux Tribe
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Prepared Statement of
Mr. Gerald Heminger Jr., Tribal Councilperson, Sisseton-Wahpeton Sioux Tribe
Senate Committee on Indian Affairs
Subject - Public Law 102-477
May 13, 1997

My name is Gerald Heminger. I am a member of the Sisseton-Wahpeton Sioux Tribe. For the last twenty (20) months I have been serving as a Tribal Councilperson. The Tribal Council has appointed me to monitor our 477 program and serve as an advocate for the program.

I thank the Committee for the opportunity to testify on behalf of my own Tribe and its involvement with Public Law 102-477.

People in Washington D.C. are probably not familiar with the Sisseton-Wahpeton Sioux Tribe of the Lake Traverse Reservation. Let me share some information about the Tribe and our involvement in Public Law 102-477.

The Lake Traverse Reservation is located in northeast South Dakota with a small part of the reservation located in southeast North Dakota. The Tribe's administrative center is situated in Agency Village which is a three hour drive from Sioux Falls South Dakota and a two hour drive from Fargo North Dakota. The reservation is very rural. There are approximately 10,000 members of the Sisseton-Wahpeton Sioux Tribe with about forty five percent of them living within the boundaries of the reservation.

We are a people rich in tradition and are proud of our heritage, however the following reservation economic conditions indicate the current quality of life of many of our tribal members:

- According to the 1990 Census a little over 60% of the Indian people on the reservation live in poverty.
- According to most recent Bureau of Indian Affairs data, the unemployment rate on the reservation is approximately 45%.
- There is a real shortage of quality child care facilities.
- Additionally many families have a need for adequate housing.

In many areas the above conditions would be considered a real tragedy. These economic conditions make it very difficult for many of our Tribal members to seek and retain employment.

Public Law 102-477 provided our tribe and others the opportunity to implement a program that could address the employment and training needs of Indian people on the reservation in a more effective and efficient manner. In March of 1994 we started our 102-477 demonstration project. I would like to mention a few of the highlights of our tribe's 102-477 program.

The first thing I would like to state is: The biggest benefactors of the tribe's implementation of P.L. 102-477 has been and continues to be customers of the tribe's employment and training programs. P.L 102-477 has greatly improved the quality of services received by employment and training applicants and participants.

Previous to 477 the tribe has five different employment and training programs. Each program had its own application process, assessment process, and set of services. Often applicants were shuffled between programs in order to address their employment and training needs. This no longer happens. Applicants and clients no longer feel frustrated in applying for needed assistance. Prior to 477 the five different employment and training programs that the tribe administered were required to generate on an annual basis over one hundred different reports, both Federal and tribal. Under 477 the level of reporting has been reduced to under twenty reports on an annual basis. The savings in paperwork and staff time spent on purely administrative tasks has been tremendous. This time is now used to address participant needs as well as the needs of employers on the Lake Traverse Reservation.

The second thing that I would emphasis is: The tribe has relied upon the 477 program to support tribal economic development. For example, in 1995 the tribe decided to relocate its Agency Bingo Hall to a site located on Interstate Highway 29. The economic enterprise has become stagnant and expansion was not possible because of its location. Through location the tribe was able to expand the enterprise to include a small casino, convenience store, and a gas station. This endeavor also generated additional twenty jobs for Tribal members. To assure initial success and reduce start up costs, the tribe utilized the 477 program and the local community college to give prior training and work experience for the expanded workforce. Twenty nine participants received training, twelve were initially hire when the enterprise opened, two participants found other employment, two decided to pursue additional vocational education, and eight were hired within six months following the opening of the relocated enterprise. This would not have happened without 477.

In November of 1997 the tribe opened a new gaming enterprise. These generated over three hundred jobs for tribal members. Because of the 477 program, the tribe was able to assist 106 very economically disadvantaged tribal members with supportive services which enabled them to obtain and retain employment at the new casino. Supportive services included initial transportation costs for training, vehicle repair, housing assistance, and child care. Of the 106, thirty were welfare recipients. As of April 1 1997, twenty six of these were still employed. Only because of the resources and the flexibility of our 477 program was the tribe able to provide the above mentioned level of assistance.

On April 1 1997 the 477 program requested from the State of South Dakota data on welfare caseloads on the reservation for the months of September 1996 through March 1997. The following data is a comparison of September 1996 and March 1997:

Welfare Caseloads

	Cases	Adults	Children
September 1996	205	128	438
March of 1997	160	88	348

I truly believe this very significant reduction in welfare caseloads can almost exclusively be credited to the 477 program and the productivity of the tribal 477 staff. If the State of South Dakota were to receive bonus funds for being a high performance State under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, it would be a great injustice if our reservation and its members did not benefit from such funds.

On July 1 1997 the State of South Dakota will begin full implementation of its Temporary Assistance for Needy Families program. It is difficult for us to calculate or visualize the impact that it will have on the tribe and its members. We anticipate that our 477 program will be at the forefront in addressing welfare reforms impact on our reservation.

We would like to make the following recommendation to improve the P.L. 102-477 initiative.

1. That the Senate Indian Affairs Committee urge the Secretary of the Interior, the Assistant Secretary for Indian Affairs and the heads of the other Federal agencies involved in P.L. 102-477 initiative to meet with tribes participating in the initiative not less than twice each year to review the accomplishments of the demonstration and to resolve any pending issues.

2. That the Secretary of the Interior and the Assistant Secretary for Indian Affairs issue a clear directive to all BIA staff in Central Office and the field, requiring their support of the 477 initiative. This directive should also clearly indicate that the General Assistance and Johnson-O'Malley programs can be included in tribal 477 plans.

Our tribe incorporated General Assistance funds into its 477 program in Fiscal Year 1995. For some reason BIA arbitrarily withheld FY-97 General Assistance funds from our program until May 1 of this year. On January 3 1997 the State of South Dakota was declared a disaster area because of winter weather. The severity of the winter depleted all tribal monetary reserves. The tribal government should not have been placed in the position of having to be concerned about having adequate funds for welfare recipients, when such funds had already been appropriated but not been allocated to the tribe for some reason unknown to us.

3. That BIA and the other federal agencies provide financial support for the technical assistance efforts of the P.L. 102-477 Tribal Work Group.

4. That the Committee on Indian Affairs consider an amendment to the law to permit the agencies to grant waivers of statutory provisions in the programs which tribes can integrate under 477, consistent with the purposes of 477.

5. That BIA insure adequate staff resources to properly support the 477 initiative. Welfare reform may dictate other tribes into developing a 477 program.

This concludes my prepared statement. I would be pleased to respond to any questions the Committee may have on our 477 initiative. Thank you again for the opportunity to testify.

Sisseton - Wahpeton Sioux Tribe
LAKE TRAVERSE RESERVATION
OLD AGENCY BOX 509 • AGENCY VILLAGE, SOUTH DAKOTA 57262-0509
PHONE (605) 698-3911

The Honorable Ben Night-Horse Campbell
United States Senate
Committee on Indian Affairs
Washington, D.C. 20510

Dear Senator Campbell

On behalf of the Sisseton-Wahpeton Sioux Tribe, I want to once again extend our appreciation to you and the committee for the recent hearings on P.L. 102-477. The tribe very much appreciates your interest in the problems encountered by tribes in implementing this law. The following is my response to the additional questions you raised in you letter dated May 22, 1997.

Response to question 1: Previous to 477 the tribe administered its five (5) different employment and training programs through a system employing a program manager with secretarial support. In some cases a program manager was responsible for administering two (2) different programs which meant allocating costs, time, and resources to satisfy federal requirements. Under 477 the tribe has streamlined the five (5) programs into a single program with one plan employing one program manager, four (4) staff whose main responsibility is to work with clients and employers and one staff person who provides secretarial support. This streamlined management system is also very productive in serving tribally determined goals.

Response to question 2: The 477 initiative has given employment and training staff much more time to work with clients. Tribal welfare recipients have considerable barriers to employment. More staff time is now spent in helping client overcome their barriers to employment.

Response to question 3: The 477 program has helped tribal members obtain jobs at the tribe's gaming enterprises in the following occupations:

1. Shift supervisors
2. Slot mechanic/attendant
3. Personnel clerk
4. Security
5. Surveillance
6. Dealers
7. Purchasing agents
8. Cook
9. Cashiers
10. Porters/housekeeping
11. Maintenance(water treatment plant)
12. Kitchen helper

Response to question 4: The tribe did not experience any problems incorporating General Assistance into our 477 plan. However this year FY-97, B.I.A. withheld our funds until May 1. Why B.I.A. arbitrarily decided to do this has not been explained to the tribe.

Response to question 5: Tribal 477 staff attends Tribal Work Group meetings to keep updated on 477 issues.

Response to question 6: At the present time the tribe does not intend to include other Federal programs into its 477 program. However, in the past the tribe has had discussions about J.O.M. and B.I.A. higher education being included in 477.

Response to question 7: Tribes receive feedback and comments about their reports at Tribal Work Group meetings. There have been several discussions on the quality of the reports and ways to improve.

Response to question 8: A greater commitment on the part of all federal agencies to provide funding to support peer-to-peer technical assistance.

Response to question 9: On behalf of the tribe, I would make the following recommendations.

1. Authorize limited statutory waivers.

2. Insert language that states tribes can integrate General Assistance and J.O.M. into the 477 program.

3. Insert language stating the 90 day plan approval includes legal review and waiver approval.

4. Require the Assistant Secretary for the lead agency meet with the Tribal Work Group at least twice a year to review accomplishments and resolve pending issues.

5. Require the Lead Agency to adequately staff and support the 477 initiative. The demonstration project will more than likely grow with welfare reform.

On behalf of the tribe, I would like to thank you for allowing me the opportunity to provide additional information on our experience with 477.

Sincerely

Gerald Heminger Jr.

Gerald Heminger Jr.
Tribal Council Member
Sisseton-Wahpeton Sioux Tribe

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Indian and Native American Employment and Training Coalition

Testimony presented to the:

Committee on Indian Affairs
United States Senate

Regarding:

Implementation of Public Law 102-477

By:

Norm DeWeaver
Washington Representative
Indian and Native American
Employment and Training Coalition

For the Committee's Hearing on:

Tuesday, May 13, 1997

Thank you Mr. Chairman and members of the Committee.

My name is Norm DeWeaver. I have the privilege to serve as the Washington Representative for the Indian and Native American Employment and Training Coalition. Formed in 1978, the Coalition is an informal information network linking tribal governments and Indian and Native American organizations participating in a variety of federally funded employment and training programs.

The Coalition has been active in the PL 102-477 initiative since the legislation was drafted. It serves as the secretariat for the Tribal Work Group, the mechanism which the "477" tribes have established to advance this demonstration.

When the 477 law was written, it represented a radical departure from past federal efforts to address the severe problems of unemployment and poverty among Native people. 477 allows tribes, at their individual option, to combine the formula funds they receive for employment and related services from a number of different federal programs and agencies, including ones in the Department of Labor, the Department of Health and Human Services and the Bureau of Indian Affairs.

Under 477 tribes develop a single plan, written to meet tribal, not federal goals. Funding under each of the federal programs involved all goes into a single budget. There is a single report and a single relationship with a single federal agency.

When the law was enacted over four-and-a-half years ago it was as much a statement of hope and intent as it was a finished product. The concept was untested. Many important implementation details had to be worked out.

The tribal testimony you are hearing today shows that the idea has worked. Services to Native people are better, the results are greater and the efficiency of tribal services has improved markedly.

Since the law was passed, Congress has embraced the concept of consolidation in employment and training services. Legislation in this area reached the Conference Committee stage in the last Congress. A new attempt to streamline workforce programs is being made in this Congress. Tribes have been the first governments to show what consolidation can achieve when it is driven, not in Washington, but at the service delivery level.

National Lessons from 477: Welfare Reform

What tribes have done under 477 is important at the national as well as the tribal level.

Welfare reform poses a major challenge to nearly every tribal community. By integrating their employment services, the 477 tribes are much better prepared to deal with these challenges.

Welfare reform is about employment. Putting welfare recipients to work is the first imperative. The 477 tribes can concentrate on this task. They don't have to divide their very scarce employment program resources by keeping them in closed program boxes -- where the tribal JOBS program can only do this, Indian JTPA can't do that, BIA services are separate. 477 isn't the answer to welfare reform, but it is an important step toward meeting its key challenge.

It is perhaps not coincidental that two of the first five tribes to decide to assume responsibility for their own Temporary Assistance to Needy Families (TANF) programs under welfare reform are tribes that have been involved in 477. The Citizen Potawatomi Nation, a 477 tribe, has submitted a tribal TANF plan. The Osage Nation, expected to join 477 in the near future, has also submitted a plan.

The Administration for Children and Families has recognized the importance of integrating tribal employment services with TANF. It decided, without any prompting from tribes, that TANF could be included in the 477 initiative.

477 has been important at the national level in other ways, as well.

It has made an important contribution to building new types of relationships between tribes and federal agencies. Going far beyond the notion of "consultation," the 477 tribes, acting through the Tribal Work Group, sit at the table with federal staff as equal partners in the development of all implementation policies for the initiative. This is a model which the Labor Department has also used very successfully in its grantee-federal partnership in the Indian JTPA program.

It was the 477 law and the 477 tribes that brought all the federal agencies that support Indian job training programs to the same table. Prior to 477 there was no ongoing communication among the agencies.

Barriers to 477 Participation

If 477 has done all these wonderful things at both the tribal and federal levels, why, some have asked, aren't there more tribes participating?

There are currently eighteen tribes and Alaska Native organizations with approved 477 plans. Several other tribal plans are pending. The demonstration continues to grow. Pressures from shrinking federal resources and welfare reform may accelerate the pace at which new tribes join.

Nonetheless, it's important to look at several important aspects of 477 to understand why more tribes aren't already involved.

First, old habits die hard. For three decades the federal agencies administering programs that supported tribal employment services tried to convince tribes to keep each program separate from the others at the tribal level.

Tribes were told that funds received for one program could only be spent under that program's rules. The penalty for violating these cost allocation dictates was severe. Tribes had to repay the federal government, in cash, for sums spent legitimately on employment services that auditors or program monitors said should have been charged to another program.

Tribes bent their internal structures to conform.

Secondly, there is not nearly as much overlap in the grantee networks for the different federal employment programs as one might assume. Most of the smaller tribes receive their funds, particularly from DOL and HHS programs, through intertribal consortia. Outside of Alaska, these consortia seldom overlap.

Entry into the JOBS program was closed, by law, in the spring of 1989. Many tribes, even large ones, don't participate in that program.

Thirdly, 477 isn't for everyone. It is successful in large part because it is voluntary -- an option for those tribes that do get funding from different programs. For many tribes, the current program-by-program arrangements are working and there may be little reason to change.

And finally, there are hazards to being the first to seize a new opportunity. There have been problems, some of them severe, in the initial implementation of 477. These problems, generally involving BIA's role as lead agency, have led a number of tribes that were originally interested in 477 to turn away from the chance to participate.

The Record of BIA as Lead Agency

The 477 legislation gives the Secretary of the Interior the principal responsibility for 477 implementation. The Secretary of the Interior has the sole authority to approve tribal 477 plans. The Secretary of the Interior has the responsibility to report to this Committee on the status of 477 implementation.

Section 11(a) of the statute makes the Bureau of Indian Affairs the lead agency for the demonstration and spells out a number of its duties.

The law established several deadlines for 477 implementation. The Secretary of the Interior and the Bureau of Indian Affairs have not met any of them.

Section 11(a) of the law required that the Secretary of the Interior to develop an inter-Departmental memorandum of agreement within 180 days of enactment to get 477 started. Instead of six months, it took roughly eleven months -- with much tribal prodding and one Senate Indian Affairs Committee hearing -- to produce the agreement.

Section 16(a) of the law provided that not later than two years after the date of enactment, the Secretary of the Interior submit a report on 477 implementation to the Indian Affairs Committee in the Senate and the Resources Committee in the House. That deadline was October of 1994, over two-and-a-half years ago.

Tribes worked with BIA staff to help draft such a report. It was not issued. BIA management stopped talking to tribes about the report. As of May 6th, 1997, it has still not been issued.

The Tribal Work Group gave up on BIA. It submitted its own report to this Committee in June of 1995, transmitting many of the recommendations which tribes had asked BIA to incorporate in its report.

Although not directly involved in the 477 initiative, Section 17(b) of the law required the Secretary of the Interior to deliver a report on demographic and labor force data needs. This report was due in October of 1993, three-and-a-half years ago. It was never delivered either.

The inattention to deadlines appears symptomatic of a lack of continuing commitment to the 477 demonstration by the top management levels within the Office of the Secretary of the Interior and the Bureau of Indian Affairs.

Operational Problems and the Lead Agency

The operational problems caused by this lack of commitment in Interior have been recurrent and troublesome to tribes.

Funds from the all the federal programs in a tribe's approved 477 plan flow to that tribe through BIA. In the case of DOL and HHS programs, the money is transferred from the originating federal agency to BIA. In the case of BIA programs, the money generally must be reallocated from the BIA Area Offices to Central Office. When assembled in Central Office, the funds are then obligated to the individual tribe involved through a 638 grant modification or a self-governance compact modification.

For the first several years of the 477 demonstration, there was little attention given by the various BIA offices involved to insure that the 477 tribes received their funds in a timely fashion. Moving the paperwork involved took last priority. In one particularly dramatic case, a tribe almost shut down its employment services because it had to wait for six months to get any of its 477 funds.

It took the intervention of the staff of the Indian Affairs Committee to focus the attention of the senior managers in BIA on this problem. Procedures were worked out which have generally resulted in more timely delivery of funds to the 477 tribes. However, several tribes, particularly smaller ones that stand to gain the most from 477, lost interest in the demonstration at that point because they became convinced that if they joined the initiative they would never see their employment program money again.

More recently, another sign of the lack of commitment to 477 on the part of top BIA management has resulted in serious problems for a number of tribes.

About a third of the tribes decided to incorporate the General Assistance program in their 477 services, redirecting their income maintenance programs toward employment as a goal. The Congress has been clear that this is what welfare programs should be about. HHS agreed on its own initiative that tribes could put TANF in 477.

However, BIA officials decided, without any discussions with tribes, to move in the opposite direction. They withheld all FY 97 GA funding, and related money for the Tribal Work Experience Program (TWEP), from tribes which had GA in their BIA-approved 477 plans. The Tribal Work Group protested.

BIA officials in charge of this program told the Tribal Work Group in late February that there were problems with whether GA belongs in 477. These problems had not been discussed with tribes. BIA simply arbitrarily denied the 477 tribes their GA funds. The Tribal Work Group indicated that the issues of concern to BIA officials were either non-issues or could easily be worked out.

Since the meeting between Tribal Work Group representatives and BIA officials in late February, some of the tribes with GA in their 477 plans have finally gotten their FY 97 GA money. Others are still waiting. Several were told by BIA field staff that they wouldn't receive GA money unless they took the program out of their 477 plans.

There has been a similar problem with regard to the release of funds which one tribe incorporated into its 477 plan from the Johnson-O'Malley program.

Despite all the energy which tribes have put into 477, the demonstration cannot succeed unless all staff in the lead agency, Central Office and the field, including senior management, are committed to making it work. We hope that the Committee's oversight efforts can help to resolve these issues.

Staff and Technical Assistance Issues

The lead agency's commitment to the continued success and expansion of the 477 initiative must also extend to providing a minimal level of staff and technical assistance resources.

Presently, nearly all the BIA work on 477 is one performed by one staff person, fortunately a very dedicated and talented person. 477 can't grow, and BIA cannot fulfill its responsibilities as a lead agency with only one person handling the complexities of this kind of an inter-Departmental effort.

Tribes have carried basically all of the responsibility for helping their fellow tribes understand 477 and what it can do to improve tribal services. This effort costs money -- for travel to workshops, for travel to individual reservations, for materials to use at workshops and distribute in other ways.

Fortunately, BIA has recognized the importance of a tribe-to-tribe TA effort and the importance of the Tribal Work Group as a TA mechanism. For the last several years, BIA has provided a modest amount of funds to a 477 tribe, Cook Inlet Tribal Council, to support the TA effort. Cook Inlet Tribal Council and the other tribes in the Tribal Work Group have spent freely from their own resources to strengthen the TA effort.

Funding for this technical assistance effort must continue. All of the federal agencies involved should participate.

Statutory Recommendations

Although the problems that have occurred in implementing 477 have largely involved the lead agency role, there is one aspect of the law that should be changed. This involves the ability of the federal agencies to waive statutory restrictions in the laws authorizing the programs that tribes can consolidate under 477.

Statutory waiver authority was provided in S. 1530, as introduced -- the bill that became PL 102-477. At that time, in the 102nd Congress, the concept of giving federal agencies such authority was unusual, although not unprecedented. The statutory waiver authority was taken out of the bill.

Since then, statutory waiver authority has become a much more common way for Congress to promote the consolidation of programs. For example, in last year's consolidated appropriations statute, the Labor Department was given the authority to provide statutory waivers to a number of states in the employment program area.

Statutory waiver authority is also relevant to 477. The simplest illustration of this is the conflict between the language in Section 9 of PL 102-477 and one small, but important provision in the Job Training Partnership Act (JTPA) regarding economic development in reservation areas.

Section 9 of the 477 law encourages economic development. However, Section 141(q) of JTPA prohibits the use of any JTPA funds, including Indian JTPA funds, for "economic development activities."

The JTPA provision has nothing to do with tribes, even though it controls the use of Indian JTPA resources, including JTPA money incorporated into tribal 477 plans. The JTPA language resulted from abuses which auditors found in state programs and were then prohibited by Congress in sweeping language that applied to all JTPA money.

Currently, there is no way for the agencies involved with 477 to resolve this type of conflict. The 477 legislation should be amended to include statutory waiver authority.

Section 17: The Need for Labor Force Data

When the Senate Indian Affairs Committee held a hearing on the bill that became PL 102-477, Senator Domenici asked the BIA witness for data on the severity of unemployment in Indian reservation areas. When the information was not forthcoming, the Committee added Section 17 to the bill.

This Section calls on BIA to do two things: to strengthen and improve its biennial "Indian Service Population and Labor Force Estimates" report (Section 17(a)) and to work with the Census Bureau and tribes to produce a report to the Congress on ways to produce better data on the Indian population (Section 17(b)).

Implementation of Section 17 has languished.

The Section 17(b) report, due in October of 1993, has never been produced.

Rather than being improved, the biennial BIA report containing labor force estimates has further atrophied. The most recent publicly available report carries a 1993 date. Problems in the data from that series has led one federal agency, the Child Care Bureau in HHS, to stop using it as a basis for fund allocation.

Reliable data on unemployment at the reservation level is essential to the implementation of several significant provisions in the welfare reform law. One

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involves time limits on assistance. Another involves waivers from work requirements for high unemployment areas in the food stamp program.

Good programs require good information. This is true at both the tribal and federal levels. If BIA has no commitment to improving the quality of data on the Indian population, the Congress should turn elsewhere to insure that timely, accurate information is available to tribes for planning purposes and to federal lawmakers and Executive Branch agencies for program policy purposes.

The Coalition would like to thank the Committee for providing this opportunity to review the history of 477 implementation. The Coalition endorses the recommendations which the 477 tribes are making to improve the demonstration.

From the perspective of the tribes that have tried it, the 477 experiment has been a resounding success. It has improved services to tribal people. It has shown how federal resources can go farther. It is proving its worth in the welfare reform context.

With the Committee's continuing oversight to insure appropriate commitment in the lead agency, the 477 experiment can thrive and grow, multiplying its benefits for Indian Country.

Indian and Native American
Employment and Training Coalition

June 6, 1997

The Hon. Ben Nighthorse Campbell
Chairman
Committee on Indian Affairs
United States Senate
Room 838 - Hart Senate Office Bldg.
Washington, DC 20510

Dear Mr. Chairman:

Thank you for your letter dated May 22nd, raising a number of questions related to the Coalition's testimony at the Committee's hearing of May 13th on the implementation of PL 102-477, the Indian Employment, Training and Related Services Demonstration Act.

Your questions and the Coalition's responses are as follows:

1. **What is the role of the Indian and Native American Employment and Training Coalition in implementing PL 102-477?**

The Coalition is an information network serving the more than 200 Indian tribes, Alaska Native organizations and off-reservation Indian groups that provide employment and training services to Native people through federally funded programs. Over the nearly twenty years since its formation, the Coalition has assisted tribes in monitoring federal policy developments which affect the funds they receive for job training and related programs.

The Coalition was active in the development of the legislation that became PL 102-477. It worked with tribes to press for its implementation by the Bureau of Indian Affairs after the law was enacted. The Coalition serves as the secretariat for the PL 102-477 Tribal Work Group, the informal organization of "477" tribes that participate or are interested in participating in 477. It works with staff in the various federal agencies involved with 477 to suggest policies which would further the 477 initiative. The Coalition also participates in the technical assistance activities conducted by the Tribal Work Group, including the services currently provided by Cook Inlet Tribal Council.

2. **There are 18 entities in the 477 plan now [9 tribes and 9 Alaska organizations]. How many federally recognized tribes are represented by these 18 entities?**

The tribes and Alaska Native tribal organizations which are currently integrating their employment services under approved 477 plans represent 166 federally recognized tribal entities, approximately 30% of all federally recognized tribes.

3. **PL 102-477 is a program that does not look like "business as usual" for tribal governments. Can you describe the amount of paperwork and administration tribes had to go through before PL 102-477?**

Cook Inlet Tribal Council estimates that inclusion of many of its programs in 477 has reduced the reporting burden for those programs by 96%. BIA provided a similar figure to the Office of Management and Budget in the process of obtaining OMB approval for the 477 reporting system.

Reduction in required reports and program plans is not the only area in which a 477 tribe reduces its administrative burden. Under 477, there is one participant "folder" with a single set of information on each client served. Tribes operating each program separately must keep a separate participant "folder" and all related information for each program in which the same person participates. For example, if a person is a participant whose service costs are met through both JTPA and BIA Adult Vocational Training funds, the tribe must keep two separate sets of information - two "folders" - on the same person.

4. **Does the Bureau of Indian Affairs [the lead agency under the act] set the goals for tribes under PL 102-477?**

No. One of the three principal purposes of the Act is to "serve tribally-determined goals consistent with the policy of self-determination." (Section 2)

Each tribe establishes its own goals. Some relate to conventional client-by-client types of employment and training services. Other tribes establish goals related to tribal economic development efforts. All tribes must develop plans which are consistent with the overall purposes of the Act. The specific goals and performance benchmarks of each tribe's plans are set by that tribe. There is no attempt to dictate what these specific goals should be, either by BIA or by any of the other federal agencies involved.

5. What financial incentives are there for tribes to enter the 477 program?

None. No tribe has ever received a single dollar in federal funds beyond what it is normally entitled to receive under the formulas that govern the distribution of funds for each program the tribe may incorporate into its 477 plan. There are no special planning funds to assist tribes in developing their initial plans.

The effect of this has been that tribes decide to enter the 477 initiative solely on the basis of what it will do to help that tribe improve its own services and achieve flexibility in the operation of its programs which would not be possible if it continued to operate each program separately. Tribes join 477 because they want these benefits. There is no financial incentive involved whatsoever.

6. What kinds of technical assistance is needed for the Tribal Work Group or the tribes to better implement the act?

Several types of technical assistance are involved.

One relates to providing information to make all tribes that currently operate two or more employment or related programs aware of the opportunity to participate in 477.

A second form of technical assistance involves providing specific information to tribes that are in the process of drafting an initial 477 plan. Tribes need to know what other tribes have done, what their options are, what the federal agency staff reviewing the tribe's plan will expect to see in that plan and what kind of systems the tribe may have to change to adapt its services to the 477 integrated services approach.

A third form of technical assistance involves helping tribes that have entered the 477 initiative to maximize the benefits they can achieve through 477 and bring new or additional programs under their plans.

The Tribal Work Group has always been the principal source of technical assistance of all three types. The "peer-to-peer" nature of technical assistance provided by other tribes has been essential to the success of the technical assistance effort. The assistance draws on the actual experience of other tribes and is free of federal agency bias. Tribes receiving such assistance inherently trust the advice of tribes that have already "been there, done that."

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In addition, it should be noted that none of the federal agencies has added any staff to provide assistance to tribes interested in 477. Initially, BIA assigned three full time professional staff persons to 477. That has been reduced to the equivalent of roughly one-and-a-half staff persons. Staff levels in the other federal agencies administering Indian programs has shrunk as well.

For the last several years, BIA has provided limited financial support for the technical assistance effort through a contract with a leading 477 tribe active in the Tribal Work Group. Such financial support is essential to maintaining a technical assistance program that can reach any interested tribe in the country, present information on 477 at workshops and conferences attended by tribes operating employment services, and work with tribes individually both over the phone and on site. At the same time, much of the technical assistance effort is supported by Tribal Work Group members themselves, out of their own staff time and other resources.

All federal agencies with programs in 477 should help to support the technical assistance effort. In the past, only BIA has made a financial contribution.

7. **The Committee received testimony that the BIA has "warned" the Citizen Potawatomi that if the tribe includes certain PL 93-638 funds in their 477 plan, those or otherwise eligible funds would be "lost." What is your impression of the BIA's position on this issue?**

The situation cited during the hearing involved the fact that the initial 477 plan prepared by the Citizen Band of Potawatomi Indians included General Assistance as one of the programs to be integrated under that plan. The tribe is a leader on efforts to move Indian people from a dependence on welfare payments to productive employment. The BIA Area Office opposed the effort by the tribe to provide an employment orientation to the General Assistance program.

The effort to convince the tribe that it would lose funds if it proceeded to incorporate its General Assistance program into 477 was directly contrary to the law. Section 12 of PL 102-477 reads:

> "In no case shall the amount of Federal funds available to a tribal government involved in any demonstration project be reduced as a result of the enactment of this Act."

This situation is one more illustration of the lack of leadership and management level support within BIA for 477. Staff from any BIA unit, Central Office or field, is apparently free to tell any tribe whatever it wants with respect to the tribe's participation in 477. There is no directive to all staff units to cooperate fully with tribes that want to integrate their programs under 477. There is no active oversight by the management of the Bureau to insure that all agency staff support the 477 initiative. There is no attempt to communicate with the 477 tribes through the Tribal Work Group when problems of this type arise. Every tribe must run a gauntlet of BIA staff persons who are apparently free to tell any tribe anything about 477, whether true or consistent with the law or not.

Management in the Bureau of Indian Affairs has had over four years to develop policies, procedures and communication channels to support the 477 initiative. Such support mechanisms have not been developed. It would seem at this point that the only appropriate remedy is to remove BIA from its responsibility under current law as the lead agency for 477 and place that responsibility in an office that is committed to tribal self-governance.

8. What other federal programs would you like to include in the 477 program?

Current law authorizes tribes to incorporate within their 477 plans any federal program which is formula funded and which has employment and training as an important objective. Recent experience shows that it is necessary to strengthen the "programs covered" language in the law to make very clear that if a tribe wishes to incorporate the welfare and education funds which it receives on a formula basis into 477 to give such programs an employment orientation, it should be able to do so without federal agency interference.

In light of the accomplishments which tribes have made under 477, there is a question as to whether the same approach - allowing tribes to commingle their formula funds under a single plan - might be applicable to all human resource development services. Moving in this direction would be consistent with the government-to-government relationship which the federal government is adopting through program consolidation and waiver approaches that involve state governments.

In addition, the economic development emphasis of 477 should be underscored, either by a change in the provisions of law or by strong Committee report language on any amendments reported to current law. It should be clear that tribes can use existing 477 funds to help explore business opportunities which show promise of creating additional job opportunities for the unemployed, to stimulate entrepreneurship or otherwise expand the possibilities for tribal members to become self-sufficient. The ability of tribes to do this under Section 9

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of current law is constrained by the lack of authority to waive the anti-economic development provisions of other law, particularly those in Section 141 of the Job Training Partnership Act.

9. Do you receive any feedback or comments on the reports that you file with the BIA each year?

The Coalition is not a 477 grantee, and thus does not file reports with BIA. The tribes and Alaska Native organizations that are grantees and do file annual program reports receive very little feedback from BIA or the other federal agencies on their progress.

The Coalition has worked with the 477 tribes to abstract information on significant accomplishments from tribal reports into summary presentations to help other tribes, the federal agencies and the Congress understand the benefits of the integrated services approach.

10. In your experience, what changes would you like to see in terms of interagency cooperation at the federal level?

The policymakers -- those who are Presidential appointees -- in the various federal agencies involved with 477 should meet with the tribes to periodically review the status of the demonstration and its accomplishments. Another purpose of such meetings, which should be co-chaired by the Assistant Secretary for the lead agency and a tribal official, should also be to insure that no staff, at any level of any agency, is interfering with the ability of tribes to benefit from 477. To insure that such meetings happen, they should be mandated by law.

In addition, all of the federal agencies should contribute financially to the technical assistance effort, coordinated through the Tribal Work Group.

The interagency cooperation must also involve staff offices, such as the Office of the Solicitor of the Interior and the Office of General Counsel in HHS, which can have a devastating impact on 477, but which are currently totally shielded from any accountability for their actions.

11. Do you believe that some agency other than BIA should be the lead agency for this demonstration, and if so, why?

Yes. The law should be amended to make the Office of Self-Governance within the Department of the Interior the lead agency. The law should also require that

BIA provide the appropriate staff resources, including current staff with extensive experience with 477, to OSG for this purpose.

The Bureau of Indian Affairs has failed its responsibility as lead agency under current law. It has failed to provide any senior management oversight. It has repeatedly withheld funds due to tribes to support their 477 plans. It has placed the 477 initiative in jeopardy by failing to insure adequate levels of staff support. It exercises no oversight over the actions of its staff, in Central Office or the field, who have interfered with the rights of tribes under 477. It has failed to provide the information to Congress which the law requires.

The Office of Self-Governance has embraced a mission which is entirely consistent with the purposes and operation of 477. It supports tribal control of tribal resources, a minimum of federal interference with tribal decisions and views its mission as providing tribes with the flexibility to achieve maximum benefit from the resources available to them. It is not a coincidence that half of the tribes and tribal organizations now in 477 are self-governance tribes.

12. What changes would you recommend to PL 102-477?

A series of suggested amendments to current law are attached, along with a rationale for each change.

Thank you for providing this opportunity to discuss the issues related to strengthening the PL 102-477 demonstration. The Coalition is anxious to continue to work with the Committee in extending the benefits of this demonstration.

Sincerely,

Norm DE WEAVER

Norman C. DeWeaver
Washington Representative

Attachment: Suggested Legislative Language for
Possible Amendments to PL 102-477

LEO CUMMINGS, ADMINISTRATOR

EMPLOYMENT TRAINING DEPARTMENT
THREE AFFILIATED TRIBES

WRITTEN TESTIMONY

UNITED STATES SENATE
COMMITTEE OF INDIAN AFFAIRS

MAY 28, 1997

IMPLEMENTATION OF P.L. 102-477

"THE INDIAN EMPLOYMENT, TRAINING, AND RELATED SERVICES
DEMONSTRATION ACT OF 1992"

On behalf of the Three Affiliated Tribes, I thank the Honorable Ben Night Horse Campbell, Chairman for the Committee on Indian Affairs, for the invitation to present testimony.

The Three Affiliated Tribes is one of the original 477 Tribes, one of five in the Nation who participated in this demonstration from the onset.

P.L. 102-477 has worked for the Three Affiliated Tribes, we have made many changes with 477 to our employment training and related service programming. In-line with these changes, came new ideas and new ways of doing business to meet the needs of the Fort Berthold Reservation and its people. These new ways of doing business have brought new training opportunities and increased the quality of services we are able to provide to our people and our reservation.

With the implementation of 477 on the Fort Berthold Indian Reservation we have:

1. Successfully integrated the Department of Labor, JTPA, Summer Youth Program, the Department of Health and Human Services, Job Opportunity and Basic Skills, Child Care Development Fund Programs, the Bureau of Indian Affairs' Adult Vocational Training and Tribal Work Experience Program. These programs are now implemented as a single P.L. 102-477 Program with one budget, single reporting and follow one set of rules and regulations.

2. Program administration has been reduced aproximately 60%, time formally spent on reporting and meeting individual program requirements is now spent on clients.

3. Former management system of programs, director or coordinators type has been replaced with a casemanagement type of system that is client driven.

4. Single programming has allowed Tribe to provide uniform services to clients in like activities, with Pre-477 you coul have had 4 clients in the same classroom receiving 4 different types and levels of service.

5. 477's one budget and one set of rules has allowed Tribal Employment Training Department to assist in Tribal economic development and public service efforts.

   A. Turtle Mountain Band of Chippewa Tribes, Uniband Inc., in partnership with the Three Affiliated Tribes, has established a satellite business in the eastern segment of Fort Berthold. This economic development effort has created 50 new jobs with potential of a second shift in FY 98 for another 50 jobs that can bring a total of 100 new jobs on the reservation within a two year period.

   B. COPS Fast/Universal Project, the National effort to put more cops on the street, coordination with 477 has enabled officers to receive North Dakota Police Academy Training and other essentials needed to provide quality law enforcement on our reservation.

Testimony
Page 2

These are just two examples of how the Tribe has determined our own needs and provided services to meet those needs.

The Tribe and States nationwide are now faced with the "Personal Responsibility and Work Opportunity Reconciliation Act of 1996" National Welfare Reform legislation. Potential negative impact to people with the implementation of this new law, especially TANF, brings many new challenges to us in Indian Country. The Tribes nationwide will not only be faced with providing TANF clients with job training needed to access adequate paying jobs, but to face the almost impossible job of creating those jobs that the welfare clients must have.

477 has provided Tribe with the tools to adequately plan and manage its employment training resources to face welfare reform. Specifically, the Tribe through 477 has:

> 1. Since FY 94, the start of 477, the Tribe has provided AFDC and BIA General Assistance clients with more opportunities to gain self-sufficiency. Educational opportunities have been made available to this clientele to increase skills that have enhanced their employability. Work activities coupled with skills training and supportive services to clients have been prioritized to remove welfare client's barriers to employment.
>
> 2. Through the local "Tribal Welfare Reform Task Foce Planning", the Tribe has made determination that the Three Affiliated Tribes will not apply for direct TANF funding, an option under Welfare Reform Law. This decision was made because of the inadequate resources available to Tribe, under provisions of law, and therefore, to adequately provide services to our people we must coordinate tribal resources with the State implemented TANF.
>
> 3. The Three Affiliated Tribes Employment Training Department's 477 Program has inititated A Tribal/State Welfare Reform coordination plan that spells out services that the tribe will provide to the State/Tribal TANF clients.
>
> Tribal 477 Program will provide full funding for applicable TANF clients to complete 2 years of employment/vocational education. This decision was made based on TANF mandates of 5 year lifetime (State option) limit and its non-recognizement of higher education and more than 12 months of vocational education as work participation.
>
> Futher, this full funding decision will enable Tribal TANF clients to save on their 5 year time clock, plus enable TANF clients to pursue much needed education to access higher paying jobs, thus lessen their risk of falling back to welfare dependency.

As you can see, through these examples, the Three Affiliated Tribes 477 Program has and is targeting services that are of quality and will have long range positive effects for its clients.

P.L. 102-477 has been tribally driven since its beginning with SB 1530. Tribes, through National 477 Workgroup, have struggled with implementation and have worked hard to make this demonstration a success.

477 has worked well on the Fort Berthold Reservation, but we have had our share of problems. Department of Labor and Health and Human Services have been good partners in this demonstration but the lead agency, BIA, has had its share of problems in carrying out its role and responsibilities with this law. Right from the very beginning the Three Affiliated Tribes encountered resistance from the BIA's Area Office on the contracting of our 477 Program. From there it has been a uphill battle in our efforts to lay ground work for other tribes to enter 477.

BIA Central Office 477 Chief, Lynn Forcia, has worked well with Tribes and at that level coordination and progress has been accomplished. Hilda Manuel, Deputy Commissioner of Indian Affairs, has met with the National 477 Workgroup and through her, a lot of problems have been corrected and the tribes are grateful for the attention she has given 477. But this hit and miss approach to solving problems within 477 is not sufficient lead agency attention and responsibility that tribes need to carry on with 477.

Several months ago, senior managers with the Bureau began to raise obstacles to the inclusion of the General Assistance Program under P.L. 102-477. Fiscal 1997 GA funds were withheld and have only now been released, 7 months after start of fiscal year. Tribal Workgroup has strongly objected to this change of policy, made without any contact whatsoever with any 477 Tribe.

The Three Affiliated Tribes has included the GA TWEP Program in our 477 Program since start in FY 94 and as noted in this testimony has made dramatic changes to improve this program. The intent of the law is very clear in its allowance of tribes to make determinations of what federal formula funded employment and related service programs can be integrated into 477. The administration and congress has made it clear that employment is to be the main goal of federal welfare programs.

We expect the BIA to abide by the law and to cooperate with the tribes and to support the tribes decisions in implementing 477.

Therefore, the Three Affiliated Tribes in cooperation and coordination with other 477 tribes, make these recommendations to improve the P.L. 102-477 initiative.

1. That the Senate Indian Affairs Committee urge the Secretary of the Interior, the Assistant Secretary for Indian Affairs and the heads of the other federal agencies involved in the P.L. 102-477 initiative meet with 477 tribes not less than twice each year to review the accomplishments of the demonstration and to resolve any pending issues.

2. That the Secretary of the Interior and the Assistant Secretary for Indian Affairs issue a clear directive to all BIA staff in Central Office and the field, requiring their support of

the 477 Initiative. This directive should also clearly indicate that the General Assistance and Johnson-O'Malley programs can be included in tribal 477 plans.

3. That BIA and the other federal agencies provide financial support for the technical assistance efforts of the P.L. 102-477 Tribal Work Group.

4. That BIA insure that adequate staff resources are available to properly support 477, including the continuing expansion of the initiative as more tribes join.

5. That the Committee on Indian Affairs consider an amendment to the law to permit the agencies to grant waivers of statutory provisions in the programs which tribes can integrate under 477, consistent with the purposes of 477.

Again, I thank the Committee for this opportunity to present testimony on the Three Affiliated Tribes implementation of 477 on the Fort Berthold Indian Reservation.

If there any questions, I will be happy to answer. I may be reached at (701)627-4752/56.

Thank you.

THREE AFFILIATED TRIBES

EMPLOYMENT TRAINING DEPARTMENT

477 PROGRAM
P O BOX 597
NEW TOWN, NORTH DAKOTA 58763

June 2, 1997

Honorable Ben Night Horse Campbell, Chairman
United States Senate
Committee on Indian Affairs
Washington, D C 20510-6450

Dear Senator Campbell

My name is Leo Cummings, I am the Three Affiliated Tribes Employment Training Department Administrator I will be making response to the supplemental 477 questions, per your May 22, 1997 correspondence

1 The Three Affiliated Tribes was 1 of 2 that first submitted 477 plans in early summer of 1993 Plan approval did not happen till January of 1994 Actual BIA Aberdeen Area 477 Contract did not show up at Tribe till May of 1994, hence money was not available at Tribal level for almost 1 year after plan submittal, plus, money allocated did not include TWEP Administration, a loss of 30, 000 for 477 administration for the first year The main reason for delay was the lack of expertise, support and knowledge of 477 on the BIA Area level One example of this was, I met with Aberdeen Area Social Service Director, this was after tribes 477 plan was approved on National level, and she told me flat "You cannot include TWEP in your 477 program" Other obstacles have included the Tribe itself and the education of the Tribe on what 477 is and how to best use

2 Tribal 477 program, through Case management, has worked with clientele to prioritize their Employment Training activities to vocations or skills needed for jobs that are available on or near Reservation Case management is also on line, for those clients applicable, that will have to relocate to urban areas who have made career choices outside of local labor markets

3 Because of conflicting DOL and 477 statutes on economic development activities, Tribe has only used approved conventional types of activities to assist in economic development and are

a One the Job Training
b Short term, job specific classroom
c Training costs

One non conventional support for local Tribal Enterprise, Mandaree Electronics was a "employment generating activity" that specifically was on "Economic Development Analysis and Project Design for tribally owned Enterprises". Attached MEC Monthly Activity Report

4 With coordination with the Tribes TERO Program we are able to make use of the skills of local labor force to outside employees coming into the Reservation This is limited to construction mostly Highway and building, but it is a start and we still have much work to do on other occupations in our local labor force structure

5 Our service area is very rural and isolated and their are no large airports within Reservation boundaries Farming and Ranching operations are mainstay of economy, this is besides BIA, Tribal government and Tribal enterprise, which are the major employers of Indian service population The Tribe is relyed on, in the most part, to increase economic development and does try its best But, private sector business start up is essential key to job creation that is needed on Reservation to support its labor force

6 The Tribe should look at integrating the

a BIA's Adult Education, and
b JOM

The latter has proven to be difficult because of outdated BIA Statutes limiting flexibility in programming, but youth needs are very much on rise and 477's abilities to meet those needs, have to be reviewed

7 Through National Work Group meetings feedback is received from DOL, HHS and BIA front line workers We have tended to be (18 current) a small group of grantees and everything we do is always being critiqued More often this is good for 477 cause as a lot we accomplish is new and innovative and serves as models to other, DOL, HHS and BIA employment training grantees

8 HHS and DOL agency cooperation and responsibility from higher officials within their departments is very good, but this is what is lacking from BIA The lead agency, assistant secretary must establish policy of support, responsibility and commitment to 477 Tribes and Native Alaskans who are now in 477 and to those in future

9 Changes needed for 477, can be easily be said in one sentence, "Lead Agency, BIA commitment and support for Tribes and Native Alaskan Organizations in their present or future 477 operations"

In summary, a lot of changes are needed for Tribes to fully use 477 to meet the needs of people, but these changes cannot occur until changes occur in the mind-set of people charged with helping tribes achieve their goals

Sincerely,

Leo Cummings

Leo Cummings, Administrator
Three Affiliated Tribes
Employment Training Department

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P.O. Box 427
Mandaree, ND 58757
(701)759-3399
meo@mandaree.ndak.net

Monthly Activity Report **February 1997**	**Clarence O'Berry, CEO** **February 26, 1997**
•Six new assemblers hired and trained	Mandaree Electronics, with financial support from Job Service North Dakota, Williston Branch, has trained six new assemblers. Mandaree Electronics now has ten assemblers on the production line. The six new hires were chosen from a field of at least 24 applicants from the Mandaree region.
•Loan guarantee from Minot's MAGIC fund	Minot's MAGIC fund announced on Feb. 21 their guarantee a loan for operating capital for Mandaree Electronics. This is a significant milestone to gain commercial credit from local bankers without pledging tribal assets.
•Northrop Grumman support to Mandaree Electronics	Lisa Pollack, Small Business Administrator for Northrop Grumman B-2 division, negotiated early payment for cable harness work and resolved a cash flow dilemma. Terry Wilber of the North Dakota Manufacturing Plant in New Town contracted for work that new assemblers are performing.
•JTPA support for training seminar	Ed Lone Fight and Leo Cummings of the JTPA identified funds for a seminar on Economic Development Analysis and Project Design for Tribally-owned Enterprises, led by Brian Fahey of Denver, CO. Mr. Fahey identified incentives available to tribally-owned enterprises, and methods for using these incentives to gain national and international strategic partners.
•McKenzie County Economic Development Agency (EDA)	Gene Veeder of the EDA attended the JTPA-funded training seminar, and O'Berry and Conway of Mandaree Electronics provided a status report to the EDA Board of Directors. This is an additional example of ongoing cooperation with both tribal and non-tribal partners and advocates.
•Thomas Register published	The Thomas Register of American Manufacturers for 1997 with Mandaree Electronics ad is now published. This is a new marketing initiative.
•8(a) application one step closer	Ron Laverdure delivered the nearly-completed 8(a) application on Feb. 6. The application requires addition of tax returns for the board members and CEO. A business plan will be required next (work in progress). Tri-County Development provided funding for the 8(a) application preparation.
•Second Centurion contract delivered	Mandaree Electronics received and filled a second contract with Centurion International of Lincoln, NB. This work is purely commercial rather than DoD-incentivized, and gives Mandaree Electronics the opportunity to employ extra labor from the community or school.

"Three Affiliated Tribes - 100% Indian owned and operated."

Statement for the Record

OLIVIA A. GOLDEN
PRINCIPAL DEPUTY ASSISTANT SECRETARY
ADMINISTRATION FOR CHILDREN AND FAMILIES

before the

COMMITTEE ON INDIAN AFFAIRS

UNITED STATES SENATE

May 13, 1997

Mr. Chairman, Mr. Vice Chairman, and Members of the Committee, thank you for the opportunity to discuss the role of the Department of Health and Human Services in the implementation of Public Law 102-477, the Indian Employment, Training and Related Services Demonstration Act of 1992. The Department of Health and Human Services is committed to working with the Department of the Interior and the Department of Labor in improving the effectiveness of employment and training services in Indian Country.

Public Law 102-477 permits Tribal governments to integrate a number of their federally funded employment, training, and related services programs into a single, coordinated comprehensive program. Within the Administration for Children and Families (ACF), the Tribal Temporary Assistance for Needy Families (TANF) program, the Child Care and Development Fund, and the Tribal Job Opportunities and Basic Skills Training (JOBS) program, can be integrated with other employment and training related programs under this legislation.

Tribal TANF

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996, (PRWORA, Public Law 104-193) provides for federally recognized Indian tribes to submit plans for the administration of a Tribal TANF program. For the first time Indian tribes can exercise tribal sovereignty to design and operate assistance programs for the benefit of Native American families who reside within the Tribal service area. In keeping with the intent of both the PRWORA and Public Law 102-477, Indian tribes will be able to consolidate a Tribal TANF program into either a new or an existing "477" plan, which is the vehicle for coordinating funding under Public Law 102-477. Guidance for the Tribal TANF program was widely distributed this past February.

Child Care and Development Fund

The Child Care and Development Block Grant Amendments of 1996, Title VI of PRWORA, integrated multiple Federal child care sources into a unified child care program that we have termed the Child Care and Development Fund (CCDF). Within the CCDF, there are two separate sources for Tribes: (1) *Discretionary Funds*, authorized under the amended Child Care and Development Block Grant Act (Sec. 603(a) PRWORA); and (2) *Tribal Mandatory Funds*, authorized and appropriated as an amendment to the Social Security Act (Sec. 418 of the Social Security Act, Sec. 603(b) PRWORA). These funds can be used to assist low-income families and those transitioning off welfare to obtain child care so they can work or attend training/education.

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In FY 1994, tribal grantees (individual Tribes and tribal consortia) were first able to consolidate their child care funds into an approved "477" plan. Currently, 12 CCDF grantees opt to consolidate their child care funds under a "477" plan. Eleven of the 12 grantees directly receive both Discretionary Funds and Tribal Mandatory Funds through their "477" plans. Six of the 12 CCDF grantees are tribal consortia (all in Alaska) and serve a total of 116 Tribes and Villages through their "477" plans.

Tribal JOBS

The PRWORA also created a new program for the Tribal grantees that conducted a JOBS program in FY 1995. The purpose of this new funding program, which replaces the Tribal JOBS program on July 1 of this year, is to make work activities available to Tribal members. Thus, the 76 Tribal JOBS grantees, representing over 112 Indian tribes, can continue to receive funding to help Tribal members become self-sufficient.

The 14 Indian tribes that currently operate their Tribal JOBS program through a consolidated "477" plan will be able to "roll" the new program into the "477" plan.

Tribal Work Group

We have continued our on-going efforts to work with staff from the Bureau of Indian Affairs (BIA) within the Department of Interior; with staff from the Employment and Training Administration (ETA) within the Department of Labor; and with tribal representatives, on a "477" Tribal Work Group. The purpose of the Tribal Work Group is to facilitate collaboration between Indian tribes and the Federal agencies on issues and procedures for successful implementation of the "477" initiative. The Tribal Work Group also is available to provide outreach and technical assistance to tribes interested in submitting a "477" plan.

The Tribal Work Group, with the participation of staff from ACF, BIA and ETA, holds quarterly meetings to discuss and address implementation issues. In addition, ACF staff, along with BIA and ETA staff, continue to provide information on Public Law 102-477 at conferences and other meetings.

We have found that the collaboration and working relationship between ACF, BIA, ETA and the Tribal Work Group has been very successful. All parties have been very interested in working together for the benefit of the 18 Tribes who are administering "477" plans.

We encourage more Tribes to consider the advantages of Public Law 102-477. We continue to believe this law offers Indian tribes the opportunity to use their employment, job training and related services in an efficient and effective manner that will benefit the welfare of American Indian families.

If welfare reform is to work in Indian Country, it is imperative that Indian tribes who receive funding for employment, training and related services programs operate welfare to work programs in an efficient and effective manner. Public Law 102-477 fosters this kind of efficiency by drastically reducing the amount of paperwork that needs to be completed and thereby freeing up funds so they can be used to increase the number of families receiving assistance and services. This law also allows for more effective operation of programs because Tribes can seek waivers of program regulations and policies that usually impede consolidation of several different federally funded programs. Increased effectiveness means more job placements, which is the ultimate goal of all these programs.

ACF looks forward to continuing its close working relationship with BIA, ETA and the "477" Tribal Work Group on the successful implementation of Public Law 102-477.

We would be happy to provide any additional information the Committee may request.

BRISTOL BAY NATIVE ASSOCIATION
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Tribal Councils
Served by BBNA

Aleknagik
Chignik Bay
Chignik Lagoon
Chignik Lake
Clarks Point
Dillingham
Egegik
Ekuk
Ekwok
Igiugig
Iliamna
Ivanof Bay
King Salmon
Kokhanok
Koliganek
Levelock
Manokotak
Naknek
New Stuyahok
Newhalen
Nondalton
Pedro Bay
Perryville
Pilot Point
Port Heiden
Portage Creek
South Naknek
Togiak
Twin Hills
Ugashik

May 22, 1997

Follow-up Testimony to the

Senate Indian Affairs Committee Hearings on P.L.102-477

The Bristol Bay Native Association (BBNA) is in its second year of successfully consolidating eight federal programs under P.L.102-477. Through consolidation, BBNA has been able to significantly reduce administrative expenses and turn it into client contact time by more than eight hundred hours. Increased childcare payments and employment & training placements also resulted. Program staff can concentrate on the important task of moving families from public assistance to self-sufficiency. The importance of including programs like General Assistance and Johnson O'Mally in the 477 cannot be understated especially now as we take on the challenges of welfare reform. The Bristol Bay Native Association supports the following initiative of Cook Inlet Tribal Council and the 477 Tribal Work Group:

- Delegate a new lead agency, preferably the Office of Self-Governance, and mandate that existing 477 staff be loaned or transferred (at BIA expense) to the new lead agency;

- Authorize limited statutory waivers, which were uncommon when 477 originated, but are not so uncommon now;

- Insert strong language that empowers tribal 477 plans to innovate and integrate programs like General Assistance and Johnson O'Mally to strive to update and modernize these services;

- Include a requirement that "90 day plan approval" includes the legal review and waiver approval;

- Include a requirement that the Assistant secretary for the Lead Agency be required to meet on a regular basis (at least twice per year) with the 477 Tribal Work Group and the leadership of the other federal partner agencies to review accomplishments and resolve pending issues;

- That all of the federal partners is required to provide funding to support the peer-to-peer technical assistance.

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- That Congress require the Lead Agency assure that, as the demonstration grows, it will receive adequate staffing and support.

Sincerely,

Terry Hoefferle

Terry Hoefferle
Executive Director

STATEMENT FOR THE RECORD OF THEODORE MASTROIANNI
ADMINISTRATOR, OFFICE OF JOB TRAINING PROGRAMS
EMPLOYMENT AND TRAINING ADMINISTRATION
U.S. DEPARTMENT OF LABOR
BEFORE THE COMMITTEE ON INDIAN AFFAIRS
UNITED STATES SENATE

May 13, 1997

Mr. Chairman and Members of the Committee on Indian Affairs:

Thank you for this opportunity to present testimony on the efforts by staff of the Department of Labor's (DOL) Employment and Training Administration (ETA) to implement the provisions of Public Law 102-477, "Indian Employment, Training and Related Services Demonstration Act of 1992".

Let me begin by stating how important the Department of Labor considers the "477 program" to be, and how, in the three full years it has been in operation, it has demonstrated its effectiveness by increasing grantee performance while reducing administrative costs associated with managing the 477 program. Indian tribes participating in the 477 program have shown significant increases in levels of client service, realized in part due to the increase in staff time devoted to serving those in need and less time spent on paperwork for the various Federal funding agencies. We strongly support this demonstration project as a model promoting local accountability, flexibility and decision making. Most importantly, Public Law 102-477 operates within a government-to-government relationship with Federally recognized tribes and Alaska Native entities. As joint partners, tribes and Federal agencies have taken steps to remove impediments and reduce burdens which interfere with the effective delivery of these services. The Federal government does not require tribes to participate in the 477 program. Because tribal participation is voluntary, each of the eighteen tribes currently participating in the 477 program made an individual decision to adopt the integrated services approach. They are now able to design solutions and tailor their services to meet their specific and unique needs.

I would like to inform the Committee of the steps the Department of Labor has taken to promote and ensure the success of this demonstration effort. During the initial implementation phase, we devoted much time and effort to developing a Memorandum of Understanding (MOU) between the Department of Labor and the Departments of Interior and Health and Human Services. The Department has adhered to the MOU policy to "forge a new partnership to develop new, flexible approaches to employment and training programs."

After the MOU was signed in September 1993, DOL staff established procedures to ensure the smooth transition for tribes with Job Training Partnership Act (JTPA) funded grantee status to full participants in the 477 program. We have learned much from implementing one of the first genuine efforts to consolidate Federal Indian employment and training programs based on tribally-determined goals consistent with the policy of self-determination. We believe that DOL is using the most expeditious administrative procedures to facilitate the participation of Federally recognized tribes in the 477 program.

The greatest implementation challenge we faced, and solved, was the development of a process to effectively transfer JTPA funds from ETA through Treasury to Interior's Bureau of Indian Affairs (BIA) in a timely manner. The last ten tribes to join the 477 program have experienced little or no difficulty with the transfer of their JTPA funds to the BIA.

Another implementation challenge, which has been largely overcome, concerned the waiver of JTPA regulations, which is specifically permitted as they pertain to the section 401 program under section 7 of P.L. 102-477. Although the language of the Act clearly indicates that grantees identify the statutory requirements they wish to waive, it does not empower the Secretary of Labor to waive JTPA statutory requirements applicable to grantees in general, as well as Indian grantees. Some tribes submitted plans which requested the waiver of spending limitations, such as the JTPA 15 percent limitation on administrative costs associated with operating an Indian summer youth program, which DOL could not grant. Most new grantees coming into the 477 program have learned that only regulations may be waived by the Department in the process of plan approval -- not statutory requirements.

The 477 program plan approval process has been greatly streamlined since the first year of implementation, both within ETA and among the various other affected Federal agencies. Staff from all participating Federal agencies have gone to extraordinary lengths to facilitate the process, relying on technology, newly developed interagency professional relationships, and commitment to timely review and approval of plans. We believe the current inter-agency procedures for plan approval are highly efficient.

Much of the success in implementing the 477 program at the Federal level can be attributed to the desire and commitment of Federal staff from various agencies to work collaboratively as partners. We believe that the closer working relationship among Federal agency staff dealing with tribal employment and training programs has greatly benefited tribes. This type of agency cooperation at the staff level adds intrinsic value to local tribal efforts to consolidate various Federal employment and training programs. The "interagency

Federal relationship" and the "consolidated Federal-tribal relationship" did not exist prior to the implementation of the 477 program. Staff from all participating Federal agencies have demonstrated that their agencies can effectively work together to meet the needs of local tribal communities.

The most important factor in the success of this program has been our tribal partners themselves. They have been unflagging in their support and promotion of this demonstration effort. The first six tribes to participate in the 477 program formed a "Tribal Work Group" that has played a major role in:

- Developing a guidance document with instructions for the preparation of tribal 477 plans;
- Providing peer-to-peer technical assistance to 477 programs; and
- Serving as a point of direct consultation with the Federal agency partners.

Because the "Tribal Work Group" is comprised of tribal representatives, they provide first hand knowledge of what the possibilities are for meaningful service delivery improvements given the opportunity to consolidate Federal programs in a truly coordinated environment.

I want to share a few examples of how the 477 programs have dramatically improved services to their tribal members. The Cook Inlet Tribal Council of Anchorage, Alaska increased their overall placement level from under 500 in the early 1990's to well over a thousand last year. They also were able to serve more individuals from previous levels of about 1,500 per year in the early 1990's to just over 2,100 last year. All of this was accomplished while funding was actually being reduced for the individual 477 component programs.

As a result of the consolidation of several different Federal programs, the Central Council of Tlingit and Haida Tribes of Juneau, Alaska have instituted a "One Stop" approach to employment and training and expanded or initiated programs for vocational rehabilitation and veterans.

Three Affiliated Tribes of North Dakota reported that the use of a single application form and common intake and assessment procedures under their 477 program has freed up staff to serve more clients. Consolidation of five formerly separate systems into one means that the remaining 477 program paperwork can be done by less than half the staff previously required by the individual programs. This enables more staff to be case managers who actually serve people instead of filling out Federal forms.

All Federal agencies involved with this program have encouraged the involvement of more tribes. For the Labor Department's part, we have featured presentations on Public Law 102-477 at multi-regional and national technical assistance and training conferences. In fact, there is a 477 workshop going on today at the National Indian and Native American Employment and Training Conference in Anaheim, California which runs through May 16. We have publicized the Tribal Work Group meetings and encouraged interested tribal grantees to attend and talk to other grantees who have effected significant improvements in the way they deliver employment and training services as a result of participation in the 477 program. We plan to continue these efforts in the future, augmented by 477 grantees who can provide in-depth practical information at other grantee meetings at the State or regional levels and at conferences attended by tribal participants.

In conclusion, the Department of Labor fully supports the notion that tribally designed employment and training programs are more effective and efficient at delivering services to Native people. The 477 program provides tribes an appropriate vehicle for this. When Federal agencies and tribes work together in partnership, tribal members benefit in ways not possible otherwise. We are proud of the accomplishments of the 477 program thus far. Thank you for the opportunity to report on this innovative and exciting program.

October 23, 1996

"477" Equals Jobs and Opportunities

A Progress Report to the National Congress of American Indians

Four years ago today the President of the United States signed the Indian Employment, Training and Related Services Demonstration Act -- Public Law 102-477. For the first time in forty years tribes were finally able to control the funds available to them for a vital tribal activity -- providing employment and training services to our people -- across federal program and agency lines.

The "477" law was a radical departure from past federal efforts to address the severe problems of unemployment and poverty our people face. "477" allowed tribes, at their individual option, to combine the formula funds they receive for a wide variety of employment and education services from a number of different federal agencies, including the Department of Labor, the Department of Health and Human Services and the Bureau of Indian Affairs.

Under 477 tribes develop one plan, written to meet tribal, not federal goals. Funding under each of the federal programs involved -- JTPA, a number of BIA employment and education programs, the Job Opportunities and Basic Skills program, and the Child Care and Development Block Grant program -- all goes into a single budget. There is a single report and a single relationship with a single federal agency.

It took our friends on the federal side a while to get used to the idea that 477 put the tribes in charge. Implementation of the law didn't begin until early in 1994.

Over the last two-and-a-half years, eighteen tribes and Alaska Native organizations have joined the 477 initiative. The results we have achieved have been dramatic in many ways. The results are even more dramatic when you realize that 477 does not provide tribes with a single additional dollar of resources. Many tribes improved their services substantially while their formula funding levels were actually declining.

Here are just some of the things that a number of the tribes participating in the 477 initiative have accomplished:
More Jobs for Tribal Members

- Cook Inlet Tribal Council in Anchorage nearly doubled the number of its job placements the first year it entered 477. The second year, placements increased to still higher levels.

- The Sisseton-Wahpeton Sioux Tribe in South Dakota took full advantage of the demand for construction workers and increased the job placement rate for its program participants by 20%. For a number of tribal members, it was their first job at a real living wage.

- The Tlingit Haida Central Council in Southeast Alaska computerized its job bank, making information on employment opportunities instantly accessible to the villages it serves.

- Cook Inlet Tribal Council used its Tribal Employment Rights Office to promote Native hire in the construction of a major new medical center for Alaska Natives. The project achieved an overall Native hire rate of 67% for all skill levels in all trades. At various points in the construction, nearly all the workers in some trades were Native people.

Support for Tribal Economic Development Projects

- The Three Affiliated Tribes used the consolidated pool of job training money created under its 477 program to offer immediate support to a tribal business locating in one of the more remote districts of the Fort Berthold Reservation.

- The Sisseton-Wahpeton Sioux Tribe was able to assist in the move of a major tribal business to a more favorable location, increasing the venture's market and employment opportunities.

- Chugachmiut, an Alaska Native regional organization serving villages in the Prince William Sound area, has redesigned its job training services around support for village level economic development projects.

More Services Now Available

All of the tribes participating in 477 report that they are providing better quality services to more participants despite level or reduced funding for their employment and training programs.

Every tribe has made major improvements in case management services for its participants. Program staff spend time with clients now. Previously much of the available staff time was wasted on overlapping federal paperwork requirements.

- The Aleutian Pribilof Islands Associations is using 20% more of its budget for employment and related services to support clients needs.

- The Shoshone-Bannock Tribes in Idaho served 12% more participants in their adult basic education and GED programs despite a serious funding cut.

- The Seminole Tribe of Florida improved the rate at which clients complete their program goals from 50% to over 75%.

- The Tlingit Haida Central Council created an array of new services, all possible because of the pooling of federal funds permitted under 477. The services include a special program for tribal veterans, training for child care providers, and vocational rehabilitation services. Tlingit Haida used its redesigned programs to help pursue and win HUD funding for a major new training facility.

- The Association of Village Council Presidents, working with over fifty villages in Southwest Alaska, served more people, while at the same time significantly improving its job placement and successful program completion rates -- all despite funding cuts.

Needs of Tribal Youth Being Met through 477

- The Seminole Tribe of Florida emphasizes educational services for its youth. 477 enabled the tribe to introduce students at its new high school on the Big Cypress Reservation to opportunities for advanced occupational training and work experience.

- Cook Inlet Tribal Council completely restructured its youth services to expand its tutoring, home-school counseling and other stay-in-school services. BIA education and JTPA funds were combined through 477 in ways that simply weren't possible under the individual programs.

Opportunities for Welfare Recipients

- The Bristol Bay Native Association, serving over twenty villages in its region in Southwest Alaska, began to provide educational and skills assessment and employability planning to Native people in its General Assistance program.

- Welfare reform has been a major feature of the 477 program of the Three Affiliated Tribes. General Assistance recipients are now offered meaningful jobs in tribal enterprises, building both family self-sufficiency and the productivity of the enterprises at the same time.

A Meltdown of Federal Paperwork

Every tribe in 477 has radically reduced the amount of paperwork it has to prepare for its federal programs. Under 477, a single plan replaces all of the individual program grant applications. All of the separate budgets are combined in a single budget. There is only one annual report, replacing scores of separate reports to each federal agency.

All of the funds and staff effort which was previously wasted on overlapping federal grant applications and reports have gone into client services.

Tribes as Full Partners in the Policy Process

Tribes developed the 477 idea and worked with the Senate Indian Affairs Committee and the House Resources and Economic and Educational Opportunities Committees to get 477 passed. Tribes pushed the Bureau of Indian Affairs and the other federal agencies to insure that the law was implemented.

Policy for the 477 demonstration is set through a process which involves full collaboration between a Tribal Work Group, representing all interested tribes, and the federal agencies involved in the various Indian job training, education and child care programs. The Tribal Work Group also provides all the technical assistance services involved in orienting new tribes to the program and helping all the participating tribes to improve their services.

The tribes in the 477 initiative are proud of this record. It is a record of local tribal accomplishments, won in pursuing individual tribal goals. It represents the first extension of the self-governance concept to federal agencies outside the Department of the Interior and the Indian Health Service.

The 477 tribes invite all tribes to look at what can be done through this demonstration and, where appropriate, to take advantage of it for themselves.

CHAIRMAN
John "Rocky" Barrett

SECRETARY-TREASURER
Gene Bruno

CITIZEN POTAWATOMI NATION

May 9, 1997

Senator Ben Nighthorse Campbell
Chairman
Committee on Indian Affairs
United States Senate
Washington, D.C. 20510-6450

Dear Senator Nighthorse Campbell:

The following information is presented for consideration at the Committee's hearing on Public Law 102-477, the Indian Employment, Training, and Related Services Demonstration Act of 1992.

The Citizen Potawatomi Nation currently operates a plan under P.L. 102-477 that was approved to being October 1, 1996. At approval, we had already begun to integrate the employment and training programs with the related services and noted an immediate improvement in our services and results. In the current year we have been able to nearly double the number of those served on our programs with improved results.

The '477 staff' at the BIA Central Office has been very helpful, both in the processing of our plan and in preparations to fund and implement our plan.

The problems we have encountered at the BIA have been at the Area Level and in the Office of Tribal Services at Central Office. At the date of this writing we have yet to receive funding for our GA and Social Service programs due to the refusal of the Anadarka Area Office to cooperate. This refusal is specifically by acting area director Joe B. Walker. As a result of the hearings we have just been informed that the 'problem' is being resolved.

Other Federal Agencies (DOL and HHS) have been very cooperative in the process to include their funded programs. Our Tribe is one of the first five to apply for a TANF (Temporary Assistance to Needy Families) program with the inclusion in our 477 process being what makes this viable.

As 477 allows us to create innovative, one-stop approaches to serving the neediest population of Indian people it is very disconcerting to see the Agency that was created to help Tribes and Indian People be the least cooperative. At a time of reduced funding in all Federal programs, Tribes need 477. Many Tribes have been hesitant to apply due to the BIA problems.

Our Tribe would like to go on record in support of the attached recommendations to Improve the P.L. 102-477 Initiative that have been prepared at the request of the Tribal Work Group and submitted by the Indian & Native American Employment & Training Coalition.

We would also respectively request that the committee make clear to the BIA that putting the Tribes in the middle of an internal power struggle between the contracting officers at Area office level and the Central office 477 staff, and potentially causing the Tribes' loss of funding and mature contract status under 93-638 is unprofessional conduct.

Thank you for this opportunity to present our concerns regarding the success and the problems to your Committee. If I can answer any questions, please give me a call.

Respectfully,

John A Barrett Jr

John A. Barrett, Jr.
Chairman

JAB/gb

enclosure

cc: Senator Don Nickles
Senator Jim Inhoff
file

Recommendations to Improve the PL 102-477 Initiative

1. That the Senate Indian Affairs Committee urge the Secretary of the Interior, the Assistant Secretary for Indian Affairs and the heads of the other federal agencies involved in the PL 102-477 initiative to meet with tribes participating in the initiative not less than twice each year to review the accomplishments of the demonstration and to resolve any pending issues.

2. That the Secretary of the Interior and the Assistant Secretary for Indian Affairs issue a clear directive to all BIA staff in Central Office and the field, requiring their support of the 477 initiative. This directive should also clearly indicate that the General Assistance and Johnson-O'Malley programs can be included in tribal 477 plans.

3. That BIA and the other federal agencies provide financial support for the technical assistance efforts of the PL 102-477 Tribal Work Group.

4. That BIA insure that adequate staff resources are available to properly support 477, including the continuing expansion of the initiative as more tribes join.

5. That the Committee on Indian Affairs consider an amendment to the law to permit the agencies to grant waivers of statutory provisions in the programs which tribes can integrate under 477, consistent with the purposes of 477.

AVCP Education, Employment and Training Division

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May 29, 1997

The Hon. Ben Nighthorse Campbell
Chairman
Committee on Indian Affairs
United States Senate
Washington, DC 20510

RE: P.L. 102-477 Summary

Dear Honorable Mr. Chairman:

In 1993 the Association Of Village Council Presidents, Inc. was fourth in the Nation to be accepted under the P.L. 102-477, "Indian Employment, Training and Related Services Demonstration Act of 1992. The service area is about the size of Texas with (56) federally recognized tribes within AVCP'S region. The primary purpose was to Integrate certain Federal service programs into a Single program. Programs Consolidated was Health and Human Services (HHS), Bureau of Indian Affairs (BIA) and the Department of Labor (DOL). This process eliminated all of the required Quarterly and Annual reports into a single report, thus eliminating the time consuming reports. This new process enables the Education, Employment and Training Division to provide more efficient and effective service to the clients serviced.

Before the acceptance of the above different federal programs the success rate of our participants was about 30%. Since acceptance our success rate has escalated to a 90% completion and climbing based on the needs of our service area that is to acquire Employment through our available education, employment, training programs. As our Vice President Of Finance indicates, the implementation of 477 has been both one of the best things to come through our agency as well as a headache to explain to auditors. The fact of providing a modified SF-269 twice a year instead of four separate reports quarterly has been positive. Our reporting function has been reduced by 80% over the period of a year.

The change has also simplified AVCP's internal reporting structure. This major change provides for less administrative oversight in fulfilling reporting requirements which provides for more efficiency in the delivery of services, i.e. instead of having the program review 15 financial reports they are now down to six. Another advantage mentioning is the streamlining of the Intake Application Process which required five separate application forms, we were able to design one application form, which proved to simplify and eliminate confusion to staff and applicants. The one flaw we have experienced was the fact that the program was so new with minimal guidance for our auditors to understand. However, they have since accepted the way we are doing business and we are rolling forward.

The Administrative staff of the Association of Village Council Presidents, Inc. looks forward to strengthening our partnership through a continuing relationship.

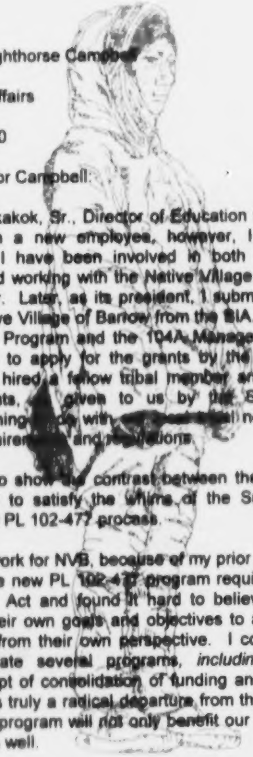
Sincerely,

Association of Village Council Presidents, Inc.
Glenn Frederick's, Chairman

Myron Naneng, President

NATIVE VILLAGE OF BARROW
INUPIAT TRADITIONAL
GOVERNMENT

May 23, 1997



The Honorable Ben Nighthorse Campbell
Chairman
Committee on Indian Affairs
United States Senate
Washington, DC 20210

Dear Honorable Senator Campbell:

My name is Rex A. Okakok, Sr., Director of Education for the Native Village of Barrow (NVB). I am a new employee, however, I am not new to tribal government work as I have been involved in both the local and regional governments. I started working with the Native Village of Barrow in 1984 as a Tribal Council member. Later, as its president, I submitted the first successful grant ever for the Native Village of Barrow from the BIA. These grants were the Housing Improvement Program and the 104A Management grants. We were given thirty (30) days to apply for the grants by the Superintendent of BIA, Fairbanks Agency. I hired a fellow tribal member and we went through the regulatory requirements, [illegible] given to us by the Superintendent. These requirements had nothing [illegible] with [illegible] needs, but rather existed only to satisfy BIA requirements and regulations.

I'm starting this way to show the contrast between the old PL 93-638 system which was developed to satisfy the whims of the Superintendent and Area Directors, and the new PL 102-477 process.

When I went back to work for NVB, because of my prior experience, I was at first skeptical regarding the new PL 102-477 program requirements. I read and re-read the PL 102-477 Act and found it hard to believe that tribes were now allowed to develop their own goals and objectives to address the employment and related services from their own perspective. I could not believe that we could actually integrate several programs, *including those from different agencies*. The concept of consolidation of funding and programs for the local comprehensive plan is truly a radical departure from the old PL 93-638 system. The new PL 102-477 program will not only benefit our own local tribes, but the federal government as well.

P.O. Box 1139 • Barrow, Alaska 99723 • (907) 852-4411 • Fax (907) 852-8844

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I mentioned the two programs we were allowed to operate in the introduction of my letter to show how all our efforts were expended to meet the demands of bureaucracy then, and now we can meet the real needs of our own local tribes. Also, we had to fit our goals and objectives to BIA regulations in earlier 638 programs, submitting separate reports for each program. Reports had to be done monthly, quarterly and annually for the Superintendent and Area Director. We could have easily combined the reports because, in fact, they were set up to complement each other. But we had to make completely separate reports for each program, each with its own set of regulatory reporting requirements. We spent many endless hours trying to explain how the programs could work together, but these usually ended up just as political maneuvering by the powers that be. Thus it took an additional ten years for NVB to get another PL 93-638 programs – because of politics and the distrust of bureaucratic generals which had nothing to do with providing adequate services to our tribes.

With the new PL 102-477 program, we have developed a Comprehensive Plan written by our own tribe, Tribal Council, and the administration of the Native Village of Barrow. This plan addresses the real needs of our tribe; it looks at the big picture and tries to find some answers to real problems that plaque our tribe and seeks ways for our village to contribute to our local economy. The consolidation of employment, education, and social programs acknowledges the unique need of our clients: to function well within our society, either through employment or living a traditional lifestyle. It also acknowledges the high unemployment and under-employment that continue to increase through natural growth of the population in our community. Further, it concedes that living conditions are extreme; that for our tribal members, making ends meet is a real struggle; that disposable income is not a reality, especially among our single mothers and newlyweds.

The PL 102-477 Program allows our tribal government to develop a feasible program that will provide adequate training and education our members need to compete in the job market in both the private and public sector. We are providing funding to prepare them for employment, training and other related services. A trained and educated tribal member seeking advantageous employment circumstances can generally expect higher wages, more benefits, and better career opportunities.

In the short time that the Native Village of Barrow has been involved in the PL 102-477 Program it has made considerable progress toward meeting its goals and objectives. We have made marked improvements in the delivery of services: making them more easily accessible, efficient and cost effective. Where consultation was missing with PL 93-638, we can now provide counseling to clients prior to their getting educational and training grants. Counseling has been proven to greatly improve the tribal members' success in finishing their education and training. Also, because we care about our clients/customers, we can continue to counsel them throughout their training and educational pursuits.

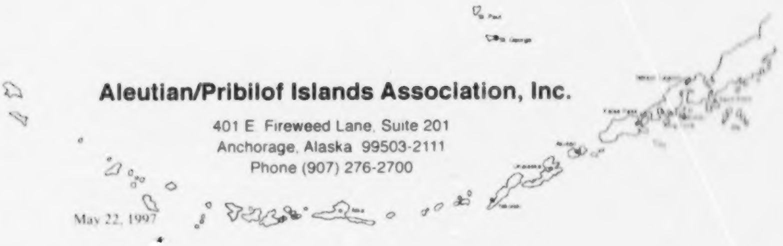
Currently, there are thirty-two (32) students in our Higher Education Program; thirty-two (32) in our Adult Vocational Training. Although we had only sixteen (16) going on to higher educational pursuits in 1994 and only sixteen (16) were in adult vocational training, they had very little success in finishing their training. An early peek into the PL 102-477 Program already shows that the Native Village of Barrow can satisfactorily integrate the employment, training, and related services to improve effectiveness and efficiency which translates to better services and reduced joblessness in our tribal community. This serves tribally determined goals and objectives, consistent with the overall policy of self-determination. Integration of services is feasible and allows the Native Village of Barrow to create a seamless delivery system in a manner which is culturally relevant and personally sensitive.

Compared to Caucasians, our unemployment and under-employment rates are very high. The unemployment rate of our tribal members was 81% and under-employment rate 39%. We now have thirty-six (36) newly employed members with the assistance of ChildCare and Development Block Grant Program. With the high demand for local, trained personnel, these new wage earners will very quickly pay enough in taxes to more than repay the government whatever we spent in training them.

It is highly appropriate and bodes well for our future to build relationships between our tribe and the federal agencies through the continuation of PL 102-477 programs that ensure accountability for both the tribal and federal governments. The Native Village of Barrow strongly supports the 477 Tribal Work Group in further development of the implementation and improvement of PL 102-477 initiatives.

Thank you for the opportunity to share with you our success in implementing PL 102-477 initiatives. Allowing us to build relationships and partnerships with the federal agencies is unprecedented. We still have much to work on but we need strong commitment by federal agencies to further improve the initiatives of PL 102-477.

Rex A. Okakok Sr.
Rex A. Okakok, Sr.
Director
Education and Grants
PL 102-477 Coordinator



Aleutian/Pribilof Islands Association, Inc.

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Phone (907) 276-2700

May 22, 1997

Honorable Ben Knighthorse Campbell
Chairman, Senate Committee on Indian Affairs
SH 838
Washington, D.C. 20510

Reference: PL 102-477 Testimony

Dear Honorable Campbell:

Our congressional representative, Senator Frank H. Murkowski, invited Aleutian/Pribilof Islands Association, Inc. (A/PIA) to provide written testimony concerning A/PIA's experience and recommendations as active participants in the Public Law 102-477 Demonstration Act. We are thankful for the senators notification and would like to submit the following written testimony . . .

Over the past two years we have participated in the Indian Employment, Training, and Related Services Demonstration Act. We have realized great advantages over previous years of administering multi-employment, and training contracts from several separate agencies.

We are pleased to report that performance standards reached 100% this year. The participants in our training-employment program display stern motivation to succeed. The individual enhancement objectives developed during intake assessment, we are able to work with the clients in supporting their goals. The most apparent fortune of Public Law 102-477 is the flexibility to work with individual participant needs. The Act allows us to design services for the client, rather than assessing if some clients particular situation fits the eligibility and service requirements of the various programs. The ability to waive regulatory requirements that are barriers for participation, such as: returning participants into training programs, limitations on program funding for pre requisite courses, boundaries of the service area, and the length of time to complete training has certainly contributed to the success rate of performance standards and have personally benefitted our clients. Waiving certain program regulations have enhanced the accessibility for individuals to strengthen their job skills and increase their income can be demonstrated through the following:

* Our program funded an individual who had a profession as a teacher, but a strong desire to become a commercial pilot. She attended commercial/multi-engine flight school training and is now working for a national carrier, making almost three times the salary she previously earned.

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- Under adult vocation training regulations, contractors are prohibited from using funds to finance participants who need pre requisite courses prior to receiving funded support for their major vocational training.

Through Pubic Law 102-477 and our waiver of the pre requisite regulations, we are now able to assist students needing pre requisite courses. Otherwise, they would not have access of funding to continue their main vocational training objective. Again, there are examples of individual students who have successfully completed courses because they were given funds, and have now increased their personal income.

A/PIA's cost (of dollars) per student has not increased, but the number of students has increased, due to the fact we make the program more accessible. In every case the students have increased their job readiness skills and personal income.

A/PIA's objectives, for next year, will include consideration to expand programs under the 477 plans, to include child care and higher education. Also, we will consider the option of servicing our region through the Temporary Assistance to Needy Families program (TANF) within our public law 102-477 program. We will continue to meet with federal and state agencies and decide which options are best to implement TANF, and will propose any relevant amendment as necessary to the 477 plan.

We have no doubt that Public Law 102-477 has met and exceeded it's objective, not only in decreasing the administrative costs and time process, but also in providing personal gain to individual tribal members whose job availability and income (which is a boost to our economy) could not have been possible. A/PIA has not seen any negative aspects of Public Law 102-477 from an operational point of view. However, we encourage the Senate Committee on Indian Affairs to support our need to have improved cooperation from the Bureau of Indian Affairs. Ms. Lynn Forcia, Coordinator of the 477 program has been of exemplarily assistance. There are many management decisions, above her position, that have been stumbling blocks for consideration of the JOM and General Assistance Programs being included in our 477 plan. Especially for the General Assistance Program it appears to be necessary that we be allowed to include General Assistance into our 477 plan, to give complete assistance to our tribal members since welfare reform.

These are very vital issues and we thank the Committee for taking the time and interest in studying the benefits of public law 102-477 and inviting us to provide testimony.

Sincerely,

Dimitri Philemonof
Executive Director

DP/KS/ab

cc A/PIA Board of Directors
Ms. Lynn Forcia

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ISBN 0-16-055690-2
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